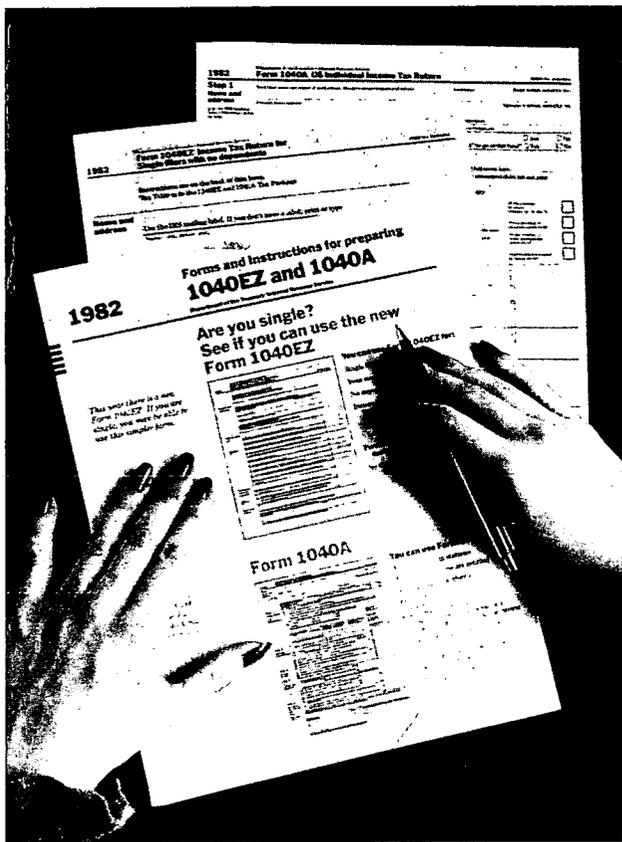


**1982 Annual Report
Commissioner and Chief Counsel
Internal Revenue Service**



**Reference
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Note:

Statistical data used in the text and tables of this volume are on a fiscal year basis, unless otherwise noted. For example, data headed "1982" pertain to the fiscal year ended Sept. 30, 1982.

Graphs, charts and text figures have been rounded and may not compute precisely compared to the statistical tables, which are based on unrounded figures.

**1982 Annual Report
Commissioner and Chief Counsel
Internal Revenue Service**

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Introduction

The Internal Revenue Service was reorganized in 1982 to improve the effectiveness of top management and make the agency more responsive to the growing and changing needs of the tax system. Three new associate commissioners—for operations, policy and management and data processing—are responsible for developing, overseeing and controlling policy in their respective areas. They form a group small enough to be an effective policy-review body, yet with enough breadth of responsibility to cover all IRS functions. The associate commissioners are the senior officials the deputy commissioner and I rely on for advice in applying the IRS's resources and programs to the changing needs of tax administration.

In the reorganization, we elevated our enforcement functions—examination, collection and criminal investigation—to the assistant commissioner rank to correspond to the important role they play in the continued success of our voluntary compliance system. Under this new arrangement, these enforcement activities are receiving more sharply focused, top-level attention, and the new alignment has helped us to coordinate better our overall enforcement program.

The reorganization also transferred two rulings divisions and the appeals division to the office of Chief Counsel. These changes were made to increase efficiency and coordination, achieve maximum effective use of our technical resources and align more closely administrative settlement policies with our litigating position.

We re-examined and revised our settlement procedures in tax shelter cases in an effort to give earlier and more effective recognition to litigation issues. This already has proven helpful in reducing the backlog in our administrative appeals system as well as the Tax Court. We have revised our examination procedures in an effort to close shelter cases at the lowest possible level. We have made it clear, however, that we will use vigorously the enforcement and compliance provisions of the 1981 and 1982 tax acts to assure taxpayers that others are paying their share.

During 1982 we examined in depth our priorities in planning and preparing for the rest of this decade and beyond. Computer technology is the backbone of our operations, and the program for modernizing and replacing our outmoded data processing equipment is well underway. Also underway are plans to computerize our collection process and certain aspects of our examination activities. Computerization will reduce the enormous amount of time and resources consumed by current labor intensive manual procedures in both these areas and will allow us to use our limited resources in these and other areas to the best advantage.

Our self-assessment system remains the most successful tax system the world has ever seen. As stewards of the public trust, we at the IRS are dedicated to the administration of that system as efficiently and effectively as possible.



Roscoe L. Egger, Jr.
Commissioner of Internal Revenue

Introduction

This year has been one of innovation and change for the office of Chief Counsel. We welcome to Counsel our colleagues in the appeals, individual tax and corporation tax divisions, who came to us as a result of the overall IRS reorganization. The realignment of the office of Chief Counsel has brought under common management such related activities as administrative appeals, litigation and regulations and rulings.

To ensure efficient administration of the reorganized office, a deputy chief counsel was designated to assist me in the overall supervision of Counsel activities and in the development and execution of programs. The operations division now reports to the deputy chief counsel.

The new associate chief counsel (technical) will use the new structure to improve coordination and timeliness and to reduce duplicative efforts in the legislation and regulations, employee plans and exempt organizations, corporation tax, individual tax and interpretative divisions. Similarly, all National Office litigation divisions—tax litigation, criminal tax, general litigation, disclosure litigation and general legal services—now report to a new associate chief counsel (litigation).

Transfer of the appeals division to Counsel should facilitate the flow of information and assistance between appeals officers and Counsel attorneys. As a result, we hope to develop a common approach to cases so we can make our best settlement offer earlier in the appeals process.

We also have adopted new procedures to bolster effectiveness and efficiency:

- Revenue Procedure 82-42 increases the flexibility of existing docketed case procedures by providing the maximum opportunity for appeals to resolve cases without trial.
- Increased emphasis on the simultaneous review of rulings, rather than sequential review, ensures adequate internal review with fewer delays.
- Small tax case procedures have been simplified to reduce paperwork and to accommodate the practical considerations encountered in dealing with unrepresented taxpayers in litigation.
- New procedures for setting priorities for development and clearance of regulations have been developed in coordination with the Department of the Treasury.
- The new settlement program in the tax shelter area has resulted in the closing of a significant number of tax shelter cases.

The office of Chief Counsel had an active role in assisting the Department of the Treasury and Congress in the development of the compliance portion of the Tax Equity and Fiscal Responsibility Act of 1982. Notable among the provisions that will aid the IRS's overall compliance effort are those relating to administrative summonses, entity audit of partnerships and penalties that provide, among other things, injunctive authority against promoters of abusive tax shelters.

Vigorous litigation to combat abusive shelters has resulted in notable litigating victories, which, together with the new settlement program, have brought about settlement of a large number of pending shelter cases. During 1982 the Tax Court docket increased from 46,167 cases to 53,440, only about 65 percent of last year's increase of 11,391.

We have set ambitious goals for ourselves—more settlements, more trials and more published rulings and regulations—while maintaining the high standards of practice that have always characterized the office of Chief Counsel.

Achievement of our goals depends on our most critical resource—the talented men and women who are the office of Chief Counsel. We value that resource most of all and accordingly have improved our system of incentive compensation and supported a strong program of continuing education. I look forward to the even more notable accomplishments I am confident this office will achieve in the coming year.



Kenneth W. Gideon
Chief Counsel for
the Internal Revenue Service



Collecting the Revenue

Returns Received

The IRS received and processed 170.4 million tax returns and supplemental documents during 1982. Over 95 million, or 56 percent, of all returns filed this year were individual income tax returns. Of these, 37.6 million individual taxpayers filed short Forms 1040A and 57.9 million used Forms 1040.

Tax Receipts

The IRS collected gross tax receipts of \$632.2 billion in 1982, an increase of \$25.4 billion, or 4.2 percent, over 1981. The increase was the smallest since 1976, mainly due to tax reductions under the Economic Recovery Tax Act of 1981 and the weakness of the economy.

Income taxes accounted for about two-thirds of all tax receipts. Individual income taxes of \$352.6 billion reflected an increase of \$19.8 billion, or 5.9 percent, over the prior year. Corporation income tax receipts were \$66 billion, down \$7.7 billion, or 10.5 percent.

Social security, self-employment, federal unemployment and railroad retirement taxes totaled \$168.7 billion, up \$15.8 billion, or 10.4 percent, from

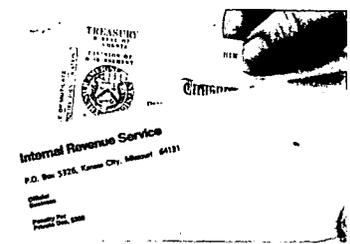
1981. The rise reflects an increase in the social security tax rate from 13.3 to 13.4 percent on Jan. 1, 1982, and an increase in the taxable earnings base from \$29,700 in 1981 to \$32,400 in 1982.

Excise taxes declined to \$36.8 billion, a drop of \$3.6 billion, or 9 percent, from last year.

Estate and gift taxes increased by \$1.2 billion, or 17.8 percent, to \$8.1 billion.

Refunds

The IRS in 1982 paid a total of \$75.2 billion in refunds to 74.5 million taxpayers. In 1981, 73.6 million refunds totaling \$63.3 billion were paid. This year refunds to 71.6 million filers of Forms 1040 and 1040A were \$55.1 billion, including interest. Individual refunds averaged \$769, compared to an average of \$679 paid to 71.3 million individual taxpayers in 1981.



Type of return		1981	1982
Number of returns	Grand total	166,528	170,369
filed by principal	Income tax, total	130,555	133,819
type of return	Individual	94,018	95,482
(Figures in thousands.	Declaration of estimated tax	30,347	31,863
For details see statistical	Fiduciary	1,917	1,964
table 6.)	Partnership	1,467	1,561
	Corporation	2,806	2,950
	Estate tax	146	135
	Gift tax	199	100
	Employment tax	26,063	25,835
	Exempt organizations	409	444
	Employee plans	790	1,021
	Alcohol, tobacco and firearms	522	233
	Excise tax	971	1,172
	Supplemental documents¹	6,817	7,556
	Non-master file returns²	56	55

¹Includes Forms 1040X, 1120X, 2688, 4868, 7004, 7005, 1041A and 990AR.

²Includes Forms 941M, 941NMI, CT-2, 949, 949A, 990BL, 6069, 1042, 1120DISC and 720M.

Earned Income Credit

Low-income taxpayers who maintain a home for themselves and at least one dependent may claim earned income credits. In 1982, 6.5 million taxpayers claimed \$1.8 billion in earned income credits. Some of these taxpayers received earned income credits in their paychecks rather than waiting for a refund after filing their individual income tax returns for the tax year. This year employers reported on 25,319 employment tax returns that \$4.3 million in earned income credits had been paid in advance.

Penalties and Interest

Under the law the IRS levies penalties, such as those for failure to pay taxes due and to deposit federal tax deposits, paying with bad checks, late filing, negligence and fraud. There were 26.3 million penalties assessed in 1982, totaling \$5.1 billion.

The law also provides that taxpayers who fail to pay their taxes on time will be charged interest on any balance due. This year \$1.3 billion in interest was assessed on individual returns, with abatements totaling \$99.1 million. Interest assessed on business returns totaled \$3.7 billion, of which \$803 million was abated.

Presidential Election Campaign Fund

This year 25.7 million individual income tax returns, or 27 percent, had designations for the presidential election campaign fund. Designations amounted to \$39 million, compared to \$41 million designated in 1981 on 27 million individual tax returns, or 28.7 percent of those processed. The cumulative amount credited to the fund since it was started in 1972 is \$326.2 million.

Combined Annual Wage Reporting

Combined annual wage reporting reduces the reporting burden on employers while still satisfying the requirements of the IRS and Social Security Administration. The reconciliation portion of this program ensures that the amounts reported on employment tax returns filed with the IRS agree with Forms W-2 filed with Social Security. This reconciliation assures that the correct tax has been reported to the government and that employees received the proper Federal Insurance Contributions Act coverage with Social Security. As a result of the reconciliation of returns and documents filed for tax year 1980, the IRS assessed a net total of \$218.1 million in additional employment tax in 1982.

Child and Spousal Support Collection Program

Beginning in 1982 the IRS offset \$171.3 million from 273,423 individual income tax refunds to pay delinquent child and spousal support obligations. This refund offset action was required by the Omnibus Reconciliation Act of 1981. Under an inter-agency agreement between the IRS and the Department of Health and Human Services, the IRS acts as collection agent for state welfare agencies that supply the names and other pertinent data regarding persons delinquent in support payments.

Source	Percent of 1982 collections			Increase or decrease	
		1981	1982	Amount	Percent
Gross internal revenue collections	100.0	606,799,103	632,240,506	25,441,403	4.2
Individual, total	66.2	406,583,302	418,599,768	12,016,466	3.0
Corporation	10.4	73,733,156	65,990,832	-7,742,324	-10.5
Individual, total	55.8	332,850,146 ¹	352,608,936 ²	19,758,790	5.9
Withheld by employers ³	42.3	256,006,407 ¹	267,513,089 ²	11,506,682	4.5
Other ³	13.5	76,843,739	85,095,847	8,252,107	10.7
Employment taxes, total	26.7	152,885,816	168,717,936	15,832,120	10.4
Old-age, survivors', disability and hospital insurance, total	25.6	146,529,366	162,137,919	15,608,553	10.7
Federal insurance contributions	24.4	140,488,605	154,196,553	13,707,948	9.8
Self-employment insurance contributions	1.3	6,040,760	7,941,366	1,900,606	31.5
Unemployment insurance	0.5	3,645,456	3,351,128	-294,328	-8.1
Railroad retirement	0.5	2,710,994	3,228,889	517,895	19.1
Estate and gift taxes	1.3	6,910,386	8,143,373	1,232,987	17.8
Excise taxes, total	5.8	40,419,598	36,779,428	-3,640,170	-9.0
Alcohol	0.9	5,688,413	5,459,810	-228,603	-4.0
Tobacco	0.4	2,583,857	2,539,495	-44,362	-1.7
Other	4.6	32,147,329	28,780,124	-3,367,205	-10.5

¹Includes presidential election campaign fund amounting to \$40,956,589.

²Includes presidential election campaign fund amounting to \$39,030,357.

³Estimated collections of individual income tax withheld are not reported separately from old-age, survivors', disability and hospital insurance (OASDHI) taxes on wages and salaries. Similarly, collections of individual income tax not withheld are combined with

OASDHI taxes on self-employment income. The amount of OASDHI tax collections shown is based on estimates made by the Secretary of the Treasury pursuant to the provisions of section 201(a) of the Social Security Act as amended and includes all OASDHI taxes. The estimates shown for the two categories of individual income taxes were derived by subtracting the OASDHI tax estimates from the combined totals reported.





Examination and Correction Results

The IRS examination program in 1982 resulted in recommendations for additional tax and penalties of \$11.7 billion, compared to \$10.5 billion in 1981. Individual and fiduciary income tax returns accounted for \$3 billion, corporate income tax returns for \$7.2 billion, estate and gift returns for \$0.8 billion, employment and excise returns for \$0.2 billion, and windfall profit returns for \$0.5 billion.

The examination program also disclosed over-assessments on 114,602 returns, resulting in refunds of \$0.5 billion.

The IRS examined 1,732,232 returns in 1982. Revenue agents examined 554,154 returns at taxpayers' residences or places of business, a decrease of 2,930 returns, or 0.5 percent from 1981. Tax auditors examined 1,074,905 returns, mainly in IRS offices, a decrease of 136,785 returns, or 11.3 percent from last year. The remaining 103,173 returns were examined through correspondence from the service centers, a decrease of 58,345 from 1981.

Examination coverage of income, estate and gift tax returns was 1.63 percent, compared to 1.84 percent in 1981.

In addition to the examination program, the IRS verified or corrected 716,193 returns through correspondence from the service centers. This is a decrease of 97,830 returns, or 12 percent, from 1981. Recommended additional tax and penalties totaled \$268 million, compared to \$205 million in 1981.

Information Returns Program

As a result of the information returns program, the IRS notified over 2.9 million taxpayers in 1982 of potential discrepancies between income reported on their tax returns and income reported on information returns and sent notices of apparent failure to file tax returns to 2.1 million taxpayers.

The IRS received 664 million information documents in its tax year 1981 information returns program, including over 178 million Forms W-2 received and processed by the Social Security Administration and 50 million pre-1974 Series E savings bonds from the Bureau of Public Debt. There also were more than 435 million information returns received from businesses and organizations reporting interest, dividends and other payments.

The IRS will continue to match most information returns submitted on magnetic media to verify that correct amounts are reported on taxpayers' returns. Over 354 million of the information documents submitted last year were on magnetic media. Of the

information returns submitted on paper, approximately 21 percent will be matched, and 82 percent of the combined magnetic media and paper receipts will be matched.

Unreported Income Programs

IRS unreported income programs have identified more than 37,729 returns, reflecting a noncompliance rate of 89 percent. The most significant programs in this area are district information gathering projects on unreported income, of which there are more than 360 nationwide. There also are 16 regional projects and one national project.

Tax Shelter Program

As of Sept. 30, 1982, 284,828 returns with tax shelter issues were in the examination process, an increase of 36,000 returns over the prior year. During 1982, 71,793 returns were closed after examination, with recommended tax and penalties totaling \$954.2 million.

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) contained provisions to curb promotions of tax shelters and expedite processing of partnership returns. The Act provided penalties for the promotion or sale of schemes involving gross valuation overstatement or false or fraudulent representation of material matters and gave the IRS the right to enjoin any person from further sales or promotions of abusive shelters.

Because TEFRA provided for singular treatment of partnership tax items, administrative processing of cases will involve fewer repetitive reports and appeals. Judicial hearings also were limited under the Act.

Tax Protesters Program

The IRS had 30,956 protest returns under examination and had closed 10,378 returns as of Sept. 30, 1982, a 12.1 percent increase over the prior year.

Illegal forms of tax protest continue to be of concern to the IRS, which in 1982 improved procedures for identifying new schemes and examining tax returns of illegal tax protesters. The service centers began new procedures to identify protest returns during filing season return processing, and new audit technique guidelines, in conjunction with common scheme definitions, were issued to assist examiners in more effectively completing protest return examinations.

W-4 Program

The IRS aggressively pursued identification of employees who file incorrect withholding allowance certificates, Forms W-4, with employers to avoid having income tax withheld from wages. Where appropriate, the \$500 civil penalty for filing false wage withholding information was asserted.

To enable taxpayers to match more closely their withholding to their expected tax liability, the IRS issued proposed regulations in 1982 that allow employees to take into consideration items that reduce tax liability, such as employee business and moving expenses, contributions to IRAs and losses. Final regulations issued in January require employers to submit to the IRS Forms W-4 received from their employees that claim in excess of 14 withholding allowances or exemption from withholding, if the employee's wages usually exceed \$200 per week.

Fraud Program

The IRS continued to place heavy emphasis on fraud detection during the examination process, which produced an 8 percent increase in the number of fraud referrals submitted to the criminal investigation division. In turn, the number of examination division referrals for each 1,000 returns examined increased by 17 percent.

The amount of recommended civil fraud penalties, which equal 50 percent of the entire additional tax due if any part of the underpayment is due to fraud, increased by 22 percent.

Computer Assisted Examination Program

Computer techniques have increased the overall quality and efficiency of tax examinations. The IRS currently has a staff of 232 computer audit specialists trained in computer systems, hardware and program languages.

The IRS in 1982 expanded its use of scientific statistical sampling techniques in large corporate examinations, determining \$37 billion in tax deficiencies in this manner.

The IRS has a total of 4,771 record retention agreements in effect with taxpayers. These agreements identify those machine sensible records that must be retained by taxpayers and made available to the IRS during an examination.

Large Corporations and the Industry Specialization Program

At the end of 1982 there were 1,438 large corporation cases in the coordinated examination program, and recommended tax deficiencies and penalties

totaled \$5.77 billion this year, compared to \$4.33 billion in 1981.

The IRS improved the coordinated examination program this year by increasing taxpayer involvement in the examination process, eliminating or making discretionary several administrative and technical procedures and changing the team member and case manager rotation policy.

The industry specialization program included 13 designated industries and encompassed 652 coordinated examination cases, with 79 issues being coordinated. The IRS also is conducting industrywide examinations in two other industries.

Windfall Profit Tax

Windfall profit tax liabilities reported on excise tax returns processed through Sept. 30, 1982, amounted to \$22 billion.

During 1982 the IRS initiated an examination program for windfall profit tax and completed 507 examinations, resulting in \$0.5 billion in recommended additional tax and penalties. As of Sept. 30, 1982, there were 6,858 windfall profit tax cases in the process of examination.

International Enforcement

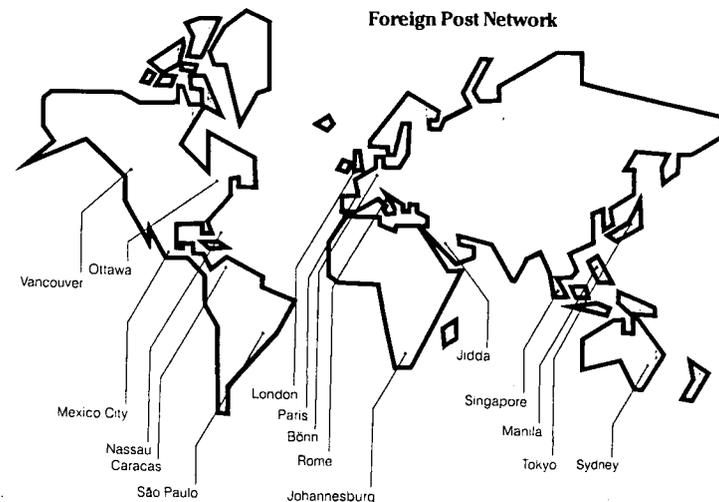
In 1982 international examiners trained in the international provisions of the Internal Revenue Code, tax treaties and foreign tax statutes examined 2,976 returns, and the tax value of their recommended adjustments and penalties reached a record high of \$3.7 billion.

Approximately 290 international examiners in 15 key districts handle examinations of business operations outside the U.S.—the majority involving multinational corporations—and foreign controlled U.S. business operations where the books and records are maintained or can be made available in this country.

The Tax Equity and Fiscal Responsibility Act of 1982 strengthened compliance by penalizing taxpayers who fail to comply with certain foreign based IRS document requests, instituting information requirements for certain foreign owned corporations and modifying return requirements and due dates relating to foreign corporations and foreign trusts.

New procedures for examiners and publication of a revenue procedure dealing with taxpayers' responsibilities in international double taxation cases improved effectiveness and efficiency in processing requests for U.S. competent authority consideration.

The IRS has strengthened its international compliance activities with respect to tax havens by restructuring the examination issues within the



international enforcement program to include tax-havens as the top priority and developing more effective training for international examiners.

Industrywide Exchanges and Simultaneous Examinations

During 1982 the IRS expanded international cooperative activities with income tax treaty partners in the areas of industrywide exchanges of information and simultaneous examinations. Industrywide exchanges of information are being conducted with treaty partners in the aluminum, banking, grain, forest products, pharmaceutical and petroleum industries. In addition, the IRS has several simultaneous examinations in process. Both these activities have resulted in a better understanding of the worldwide economic operations of certain multinational taxpayers and promoted international tax compliance.

International Meetings

IRS executives attended two international meetings with representatives of income tax treaty partners to discuss issues that affect international cooperation. One meeting was with European tax treaty partners and the other with Pacific Basin treaty partners, including Canada.

Foreign Operations

The IRS Foreign Operations District completed over 18,000 examinations and recommended additional tax and penalties of nearly \$160 million. It also collected \$11.8 million in delinquent taxes and se-

cured 4,545 delinquent returns from U.S. taxpayers located abroad.

As part of the IRS reorganization, the Foreign Operations District replaced the Office of International Operations. The new district for foreign operations remains in Washington, but is under the jurisdiction of the Mid-Atlantic Region. This change placed international operations at the field office level, assuring this area the same regional office management as other IRS field operations.

The Foreign Operations District administers the tax laws for foreign based taxpayers subject to U.S. taxes whose books and records are in another country. It also is responsible for federal tax matters of residents of U.S. territories, possessions and the Commonwealth of Puerto Rico. Cases involving foreign taxpayers whose books and records are located in the U.S. will now be handled, however, by the IRS district office with geographical jurisdiction.

The IRS continues to maintain 16 key foreign posts, managed by revenue service representatives who oversee the examination, collection and taxpayer service programs. They also serve as liaisons with foreign tax authorities in both treaty and non-treaty countries.

Research to Improve Compliance

The IRS is conducting several studies of ways to supplement the discriminant function, or DIF, system of selecting returns for examination. Various computerized selection systems to identify returns with high potential for unreported income are being studied, as are possible abuses of cash and noncash contributions. In addition, a study of the compliance

and return characteristics of direct sellers is planned.

The taxpayer compliance measurement program (TCMP) is the IRS's primary long-range research effort to measure overall taxpayer compliance and changes in patterns of noncompliance. This year the IRS concluded examinations for the TCMP survey of tax year 1979 Forms 1040 and 1040A filed in 1980 and continued TCMP examinations on corporations with assets under \$10 million.

In addition to TCMP, the IRS conducts other types of compliance research, some of which focus on specific Internal Revenue Code sections. During 1982 studies were completed on state income tax refunds, gains on sales of residences and changes in accounting methods. The IRS also began to develop computerized monitoring of age-65 exemptions and duplicate exemptions for dependents. Compliance research also was conducted on information returns and a study was completed to measure compliance in reporting of nonemployee compensation on Form 1099 NEC. Work continued on updating and expanding estimates of the various segments of the tax gap, last reported on in 1979.

Automated Computerized Examination System

The IRS in 1982 began developing an automated computerized examination system to increase the efficiency of the examination process, where the volume of paperwork now substantially cuts into the overall time available for examining returns. The automated system will allow examiners to conduct examinations by drawing tax return information from existing computerized data sources rather than the paper tax return. The system will compute the correct tax due and print an examination report. The

IRS also will use the system for case control, report writing and updating the master file. Installation of the automated system will begin in 1985.

Collection

The IRS disposed of 2.4 million delinquent accounts and collected \$7.4 billion in overdue taxes in 1982. Of that sum, \$3.1 billion was collected in response to computer notices sent to taxpayers and \$4 billion was collected on delinquent accounts. Overdue taxes of \$331 million were collected when 1.7 million delinquent returns, involving \$2.4 billion in additional assessments, were secured.

Service Center Collection

The service center collection branches, which handle computer return delinquency and balance due notices, are the first step in communication with taxpayers who have not filed their tax returns or paid their taxes. Many procedures that were previously performed in the districts were absorbed by the service center collection branches, including the monitoring of employers' monthly tax returns, insolvency case processing and the control, maintenance and monitoring of 100-percent penalty cases. Moving these additional programs to the service centers allowed the district offices to redirect resources to higher priority work.

District Collection

The district collection functions handle delinquent accounts or delinquent return investigations not resolved by notices from the service centers. In 1982 district collection functions served 1,058,452 notices

of levy, filed 595,497 notices of federal tax lien and conducted 10,533 seizures.

Most delinquent accounts and delinquency investigations transferred to the districts are first worked by clerical and paraprofessional employees in the collection office functions, which in 1982 closed over 55 percent of delinquent accounts and over 64 percent of delinquent return investigations.

More difficult delinquent accounts and return investigations that cannot be resolved in the collection office function are referred to the collection field function. Last year revenue officers in the field function closed 379,458 delinquent return investigations and 984,997 delinquent accounts.

Efforts to Improve Collection

This year the IRS addressed rising collection inventories by initiating several new studies, programs and equipment procurements. These efforts coupled with increased staffing and numerous legislative changes, particularly new penalty and interest provisions, will help the IRS deal more effectively with increases in delinquent accounts and return delinquencies.

The IRS began a research project in 1982 to determine whether revenue yield can be increased if the accounts of identifiable groups of taxpayers are handled differently. A total of 50,000 individual income delinquent accounts are being handled in six different ways. All cases receive the same first notice of delinquency. Subsequently, the taxpayers are dealt with in one of six different ways, such as varying the timing of subsequent notices, using telephone calls instead of sending certain notices or offering installment agreements. Final results of the project will be available in 1984.

The IRS also conducted approximately 22,000 taxpayer compliance measurement program investigations of potential nonfilers of tax year 1979 income tax returns. The study measures the extent of nonfiling among individuals for whom the IRS has received wage or other income information returns and individuals who are on the master file computer system but have stopped filing. The data also will be used to improve the case selection system for potential nonfilers. The entire study will be completed in 1985, but the initial report will be ready in 1983.

The IRS monitors federal tax deposits and issues alerts when taxpayers do not make required deposits. As a result of improvements to this program, the IRS is now verifying federal tax deposit compliance of a greater number of taxpayers at an earlier point in time.

Returns compliance programs were conducted in three new areas during 1982. Approximately

15,000 leads were investigated to determine compliance of windfall profit tax filers. Another 2,000 leads were checked to determine compliance with the payment of two new excise taxes imposed by the Comprehensive Environmental Response Compensation and Liability Act of 1980. And a compliance program was begun to identify and contact employers not submitting W-4s to the IRS to determine if they were aware of and complying with the employment tax regulations.

Automated Collection System

The IRS will test an automated collection system in four districts in 1983. The system will be fully operational nationwide in 1984. The automated collection system is a virtually paperless computer processing and telephone system that will use only 20 call sites to complete the delinquent account and return delinquency case processing currently done by 71 local offices. The system contains many features, such as automatic dialing, direct entry of case history and immediate access to information, that will increase productivity and, at the same time, improve relations with taxpayers and their representatives.

Aside from the automated collection system, the IRS has made significant improvements in its telephone systems. In 11 districts, collection is using automatic call distribution systems that permit the answering of more calls in a more efficient manner. These systems also provide needed management information on which to base further decisions regarding equipment and staffing needs.

Criminal Investigation

The IRS criminal investigation division initiated 6,498 investigations of possible criminal violations of internal revenue laws during 1982. Prosecution was recommended in 2,297 of the 5,831 completed investigations. Grand juries indicted or U.S. attorneys filed informations on 1,844 taxpayers, and prosecution was successfully completed in 1,624 cases.

Taxpayers pleaded guilty or *nolo contendere* in 1,291 cases, and 333 were convicted after trial. Acquittals and dismissals totaled 65 and 145, respectively. Of the 1,585 taxpayers sentenced during the year, 917, or 58 percent, received prison sentences.

General Enforcement Program

Of the 6,498 investigations the IRS initiated this year, 4,423 were in the general enforcement program, which provides balanced geographical and occupational criminal tax enforcement. Priority enforce-

	1981	1982
Results of direct enforcement on delinquent accounts and returns		
Delinquent taxes collected ¹		
From delinquent accounts	\$3,435.3	\$3,952.4
From notices	\$2,148.6	\$3,103.1
From delinquent returns secured	\$ 285.4	\$ 330.8
Delinquent returns secured ²		
By collection	1,518.7	1,668.7
By examination	45.4	39.2
Additional tax, penalty and interest assessed on delinquent returns (Net of prepaid credits) ¹		
By collection	\$1,803.1	\$2,361.1
By examination	\$ 54.1	\$ 59.1

¹millions

²thousands

ment efforts included investigations of multiple refund schemes, illegal tax protesters and promoters of fraudulent tax shelters.

The questionable refund program accounted for 358 investigations initiated and 249 prosecution recommendations. Indictments or informations were filed against 218 and convictions were obtained against 187. Of the 180 sentenced during the year, 76 percent received prison sentences.

The IRS began 629 criminal investigations of illegal tax protesters and obtained 111 indictments or informations. There were 114 convictions and 129 were sentenced, with 72 percent receiving jail sentences.

As of Sept. 30, 1982, the IRS had 201 open investigations of promoters and operators of fraudulent tax shelters. Federal grand juries have been established across the country primarily to consider tax-shelter related crimes, and during the year there were 40 indictments or informations and 33 convictions. Of the 27 sentenced, 74 percent received jail sentences.

Special Enforcement Program

The special enforcement program identifies and investigates those individuals who violate the tax laws while deriving substantial income from illegal activities. The IRS under this program initiated 2,075 investigations, gained 951 prosecution recommendations and won 555 convictions.

In its efforts against organized crime, the IRS emphasizes cooperation with other law enforcement agencies, provides assistance to grand jury investigations and participates in the federal strike force program coordinated by attorneys from the Department of Justice. The financial gain documented by the IRS in inter-agency investigations often provides the basis for seizing assets acquired with the profits of crime and convicting individuals of tax crimes when conviction on other illegal activities cannot be obtained.

The IRS also continued in 1982 to emphasize investigations of high-level drug traffickers, financiers and money launderers. As of Sept. 30, 1982, there were 807 such cases under investigation and another 262 undergoing IRS and Department of Justice review before indictment. During the year the IRS obtained 180 indictments or informations, 121 convictions and 103 sentencing in this area, with 76 percent receiving prison sentences that averaged over five years.

The IRS also participates in financial investigative task forces established by U.S. attorneys to coordinate federal law enforcement agencies' efforts against major narcotics organizations. The IRS is participating in an investigation in Florida of money

launderers and corrupt bank officials who violate the currency laws while depositing proceeds from narcotics trafficking in financial institutions.

Employee Plans

The IRS issued 144,490 advance determination letters on the qualification of corporate and self-employed plans last year and examined 18,368 plans already in operation to determine their qualification, verify employers' allowable deductions for contributions to plans and assure that the rights and benefits of plan participants are protected.

The Economic Recovery Tax Act of 1981 (ERTA) made several important changes in the law pertaining to employee plans and caused a significant increase in employee plans workload. The IRS took several administrative actions to minimize this increase, including the issuance of Notice 82-3, which informed individuals, employers and plan sponsors of the major changes brought about by ERTA. The notice explained amendments that may be made to certain plans and the effect of these amendments on prior favorable determination, notification or opinion letters. Plan administrators thus were provided guidance for continued reliance on previously issued favorable letters, and eliminating the need to apply for new letters lessened the administrative and procedural burden on sponsors and employers choosing to take advantage of the provisions of ERTA.

Under the triennial reporting system adopted in 1980 by the IRS, the Department of Labor and the Pension Benefit Guarantee Corporation, plans file Forms 5500-C and 5500-K once every three years and Form 5500-R in the intervening years. Administrators and sponsors of small plans, however, indicated that filing Form 5500-R for two of the three years would be burdensome, so the IRS in 1982 agreed to accept Form 5500-C or 5500-K each year in place of Form 5500-R.

Through the coordinated compliance agreement, the IRS and the Department of Labor continued in 1982 to minimize the duplication of examinations. A joint IRS/Department of Labor task force also revised the agreement to improve coordination between the two agencies.

The IRS completed a taxpayer compliance measurement program (TCMP) for employee benefit plan returns to ensure compliance with the Employee Retirement Income Security Act of 1974 (ERISA). The IRS will use data gathered during the TCMP survey for planning future examination programs, improving the selection of returns for examination and identifying needed changes to the Forms 5500 series of employee plans returns and instructions. Under the program approximately 18,000 Forms



5500 and 5500C returns with plan years beginning in 1978 were examined.

A computer classification program became operational in 1982 to select for examination employee plans returns with a high probability of noncompliance under ERISA. The results of the TCMP survey will be integrated with this system to improve further the selection of employee plans returns for examination.

During the second year of the National Office post review program, which ended June 30, 1982, 1,581 cases were reviewed to ensure that all employee plans key district offices uniformly applied the law and IRS procedures when issuing determination letters on qualification of plans.

Exempt Organizations

The IRS exempt organizations activity in 1982 issued or revised 14 revenue rulings and procedures and 218 technical advice memoranda and examined 21,398 exempt organizations returns. The IRS also acted on 56,426 applications, reapplications and requests for rulings from organizations.

This year was the first in which exempt organizations used the revised Form 990, Return of Organization Exempt from Income Tax, which enables them to file the same form with both the federal and state governments. Thirty-one states and the District of Columbia now use the revised form.

The IRS also relieved some exempt organizations, other than private foundations, from filing annual information returns. For tax years ending on or after Dec. 31, 1982, only certain organizations with gross receipts not normally in excess of \$25,000 will not be required to file an annual information return. Previously these organizations had to file if their gross receipts were normally in excess of \$10,000.

The Department of the Treasury announced on Jan. 8, 1982, that it was unable to support the legal authority of the IRS's enforcement of public policy in denying tax exemption to racially discriminatory private schools. In addition, the Department of Justice asked that the court of appeals decisions in the *Bob Jones University* and *Goldsboro Christian Schools* cases be vacated as the issue was now moot. The U.S. Supreme Court had granted *certiorari* in these cases in October 1981. Subsequently the U.S. Court of Appeals for the District of Columbia, in the case of *Wright v. Regan*, enjoined the IRS from granting or restoring exempt status to any racially discriminatory private school, thus precluding the carrying out nationwide of the Jan. 8, 1982, policy change. Proposed legislation then was submitted to Congress that would provide express authority to deny tax-exempt status to racially discriminatory private schools and the organizations operating them. The Department of Justice later reversed its request of Jan. 8 and asked the Supreme Court to hear the *Goldsboro* and *Bob Jones* cases. On April 19, 1982, the Supreme Court agreed.

The IRS continued to operate in 1982 under congressional budget restrictions prohibiting it from formulating or carrying out any rules, guidelines, court orders or similar measures regarding private schools, unless these were in effect prior to Aug. 22, 1978.

The full U.S. Court of Appeals for the District of Columbia found, in the case of *Taxation with Representation v. Regan*, that the different lobbying restrictions for section 501(c)(3) charities and section 501(c)(19) veterans' organizations resulted in unequal treatment that was unconstitutional. The appeals court remanded the case to the district court to consider either removing the section 501(c)(3) lobbying limitation or removing the section 501(c)(19) provision permitting lobbying.

A U.S. district court judge refused to dismiss for lack of standing a suit filed by Abortion Rights Mobilization, Inc., alleging that the Catholic Church violates the provisions of its tax exemption by campaigning for anti-abortion candidates. The plaintiffs allege violations of the First and Fifth Amendments, claiming that the IRS has failed to enforce against the Catholic Church the restrictions on political activity by charities.



Write, Call or Walk In

The IRS during 1982 received about 39.2 million telephone, 8.1 million walk-in and 138,000 written inquiries from taxpayers requesting information about their tax rights and obligations. The IRS overall responded to 47.4 million requests for assistance, an increase of more than 2.6 million inquiries from 1981.

Nearly 57 percent, or 27 million inquiries, occurred between Jan. 1 and April 24: 22 million telephone calls, 5 million walk-in inquiries and 46,000 pieces of correspondence. During this same period, a quality check of 155,000 telephone responses and returns prepared with the assistance of IRS employees found an overall accuracy rate of 98 percent.

Toll-Free Telephone Assistance

Nearly all of the telephone calls received during the 1982 tax return filing period were made through the toll-free telephone system that allows taxpayers throughout the country to call the IRS for information without paying long-distance charges. Front-line assistants answered almost 89 percent of these calls.

Those calls requiring computer research or more advanced technical assistance were referred to IRS employees who have received specialized training in those areas. This year the IRS answered 3.3 million taxpayer account and problem resolution referrals and 2.3 million technical referrals.

Special equipment allows hearing-impaired taxpayers throughout the U.S., Puerto Rico and the Virgin Islands to receive toll-free tax assistance, and 1,914 taxpayers received such assistance in 1982.

Walk-In Service

Walk-in taxpayer assistance was offered at inner-city, business-district, suburban and rural locations in 539 permanent offices and 76 temporary offices opened especially for the filing period. Over 38,000 banks and Postal Service locations also helped distribute more than 290 million tax forms and instructions.

The IRS provided foreign language assistance at 187 of its 615 taxpayer service offices. Spanish language assistance was offered at 142 of these offices by 552 employees, while 97 offices and 393 employees helped taxpayers in other languages.

Problem Resolution Program

The problem resolution program resolved 256,496 individual taxpayer problems in 1982. Problem resolution officers oversaw the program in each of the IRS's 60 districts, 10 service centers and seven regions, while the taxpayer ombudsman, who is on the Commissioner's immediate staff, administered the program nationwide.

The problem resolution program's major emphasis this year was on remedying systemic and procedural weaknesses. As a result, tax return filing requirements and IRS-initiated correspondence were made clearer for taxpayers.

Disaster Assistance

The IRS provided help in preparing amended returns and casualty loss claims and in getting refunds to taxpayers faster in 94 counties in 20 states affected by floods, hurricanes, tornadoes and other emergencies and major disasters in 1982.

Educating Taxpayers

The IRS in 1982 provided instructional materials for nearly 5 million students as part of its "Understanding Taxes" course, which helps young people understand their tax rights and obligations. The IRS sponsored workshops for 31,000 small-business owners and over 550 institutes for tax practitioners.

Approximately 113,000 U.S. taxpayers in 55 cities in 37 foreign countries also sought IRS assistance, and another 1,712 taxpayers attended 54 overseas tax seminars. The IRS conducted nine military tax schools overseas that attracted 669 participants, who then helped armed services personnel prepare their own tax returns.

Through the volunteer income tax assistance program, the IRS recruits, trains and supports volunteers who assist with the preparation of tax returns for low-income, elderly, non-English speaking, handicapped and military taxpayers. This year 304,000 federal income tax returns were prepared by 33,000 volunteers. The tax counseling for the elderly program, begun in 1980, authorizes the IRS to enter into agreements with non-profit organizations to provide free tax help to individuals age 60 and over, using volunteers who are reimbursed for out-of-pocket expenses. During 1982, 12,000 volunteers prepared 116,000 federal income tax returns through this program.

Informing Taxpayers

A three-hour IRS tax clinic, entitled "Your Tax Return: The Bottom Line on Improving Your Form," was aired nationally by 184 public broadcasting stations during this year's filing season. The program, viewed in approximately 3.1 million households, focused on how to complete a tax return as well as other helpful tips and filing information. The program also encouraged viewers to call a toll-free number with their questions.

IRS public service announcements received an estimated \$5.5 million of free network and local television air time. The IRS also sent taxpayer information materials to many national and specialized publications. Subjects covered included various tax credits, appeal rights and an explanation of new tax legislation.

The National Office and 76 field locations in 1982 issued 6,805 news releases and responded to over 24,000 media inquiries.

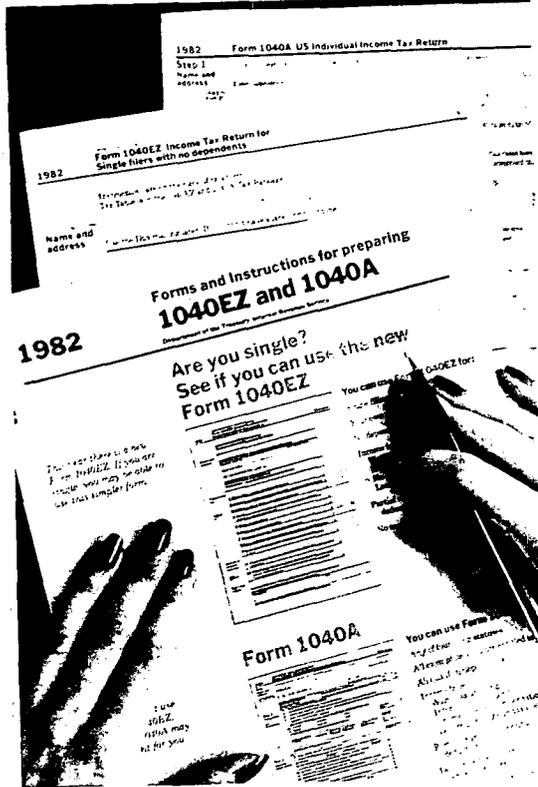
Forms and Publications

The simplification of tax forms is an important part of the IRS's effort to reduce the paperwork burden imposed on taxpayers. The IRS will introduce for the 1983 filing period the new Form 1040EZ, which has fewer lines and is easier to complete than Form 1040A. The form can be used by an estimated 22 million single taxpayers.

The IRS also simplified or improved a number of other forms, including Schedule A for Form 1040 and Form 941.

IRS public hearings in Honolulu, Jacksonville, Fla., and St. Paul, Minn., provided many suggestions on how to simplify the tax forms and instructions. The IRS received other suggestions in response to the Commissioner's message in this year's tax form packages and a notice published in the Federal Register. The IRS has adopted a number of these suggestions and is considering others for possible inclusion in future years' forms.

The IRS distributed many taxpayer information publications free of charge, including 3.9 million copies of "Your Federal Income Tax," 1.7 million copies of the "Tax Guide for Small Business," 741,000 copies of the "Farmer's Tax Guide" and 96,000 copies of the "Tax Guide for Commercial Fishermen." Additional tax materials were furnished to 8.3 million taxpayers, 241,000 tax practitioners and 438,000 employers. The IRS publishes more than 90 booklets—three in Spanish—on specific tax topics.





Internal Audit

IRS management actions on 1982 internal audits resulted in additional revenue and cost savings of \$1.39 billion and long-term actions to implement internal audit recommendations will realize an additional \$656 million. All of these additional revenues and cost savings will have recurring benefits.

The IRS spent approximately 85 percent of its direct internal audit time in 1982 reviewing the processing of returns, collection of tax revenues and enforcement of the tax laws. More than 53 percent of internal audit time was devoted to 62 coordinated audits, which evaluated IRS programs on a national or regional basis and resulted in more efficient operations, more effective programs and procedures and stronger internal controls.

The IRS distributed abstracts of internal audit findings to its officials monthly to alert them to areas that may need increased management attention. Top management also received reports on the implementation and effectiveness of actions taken in response to General Accounting Office reviews of IRS activities.

Internal Security

The internal security division's investigations to protect the integrity of the IRS resulted in the arrest or indictment of 95 taxpayers and tax practitioners and 272 current or former IRS employees. There were convictions or guilty pleas in the cases of 121 individuals arrested or indicted in 1982 or earlier. Of these convictions, 18 were for bribery and 21 for assault, while the rest involved conspiracy to defraud the government, embezzlement, impersonation of a federal officer, narcotics and other offenses.

The internal security division completed 5,495 background investigations of employees during the year and conducted police record checks on all persons considered for temporary appointments. These investigations and record searches resulted in the rejection of 72 job applicants and administrative actions against 332 employees. Internal security also conducted 902 investigations of alleged employee misconduct, with 74 resulting in exoneration of the employees involved.

Assaults and threats against IRS employees increased from 455 in 1981 to 485 in 1982.

Integrity Program

To assist managers in deterring waste, fraud and abuse, IRS Inspection completed 50 audits of areas particularly susceptible to integrity violations, such as activities where cash is handled and where control weaknesses increase the potential for integrity

breaches. These audits resulted in the strengthening of controls over the collecting and depositing of delinquent taxes and the handling of salary checks and returned refund checks.

Inspection conducted internal control seminars nationwide to increase employee recognition of integrity matters, develop a better understanding of the role and responsibilities of Inspection and increase management's awareness of its internal control responsibilities. It also conducted 451 integrity probes and tests of high-risk IRS activities.

In addition, 27,349 employees were advised of potential corruption hazards through awareness presentations, internal control seminars and conferences with all levels of management.

Disclosure

The IRS responded to 13,083 Freedom of Information and Privacy Act requests in calendar year 1981. The freedom of information requests reading room processed an additional 20,500 requests for documents. Disclosures were made to federal, state and local agencies in accordance with provisions of the Internal Revenue Code. Among these disclosures were 4,635 made to the Department of Justice for enforcement of nontax statutes, 213,039 to federal, state and local agencies for child-support enforcement and 73,452,561 to state tax agencies for state tax administration purposes.

Director of Practice

The office of director of practice was transferred this year from the Department of the Treasury's office of general counsel to the IRS. The principal responsibility of the director of practice is the administration and enforcement of the regulations governing representation of taxpayers before the IRS. In addition, the director of practice has parallel duties concerning practice before the Bureau of Alcohol, Tobacco and Firearms and serves as executive director of the joint board for the enrollment of actuaries established under the Employee Retirement Income Security Act of 1974.

During the year the director of practice took 81 disciplinary actions against attorneys, certified public accountants, enrolled agents, enrolled actuaries and others because of misconduct in practice before the IRS. These actions included 11 disbarments, 38 suspensions, 31 reprimands and one resignation, and 14 were the result of formal hearings before an administrative law judge. The allegations of misconduct that gave rise to the disciplinary actions were received from the IRS, taxpayers, professional organizations and tax practitioners.

Computer Services

The IRS made a major effort in 1982 to introduce state-of-the-art technology to its work processes to improve productivity and reduce the labor-intensive nature of basic processing activities. An automated collection system and an automated examination system are under development.

The three-phase, long-range plan to replace the IRS's obsolete computer equipment used for tax return processing is proceeding on schedule in its third year. The first phase of the equipment replacement program is the service center replacement system. In March 1982 equipment was installed in the pilot service center in Memphis, Tenn. The IRS will install equipment in the other nine service centers by 1984, with full implementation scheduled for January 1985. In addition to increased reliability and greater workload capacity, the new computer equipment will provide automated error correction and unpostable resolution, thus reducing paper and manual processing and accelerating returns processing.



The IRS awarded a contract in March 1982 for the second phase of the equipment replacement program, the microfilm replacement system, which will automate the current research process and improve the privacy protection of taxpayer data. Implementation at all service centers is scheduled for June 1983.

The third and final phase of the equipment replacement program is the master file replacement system, which will modernize equipment at the National Computer Center. The IRS awarded a contract for this system in June 1982, and implementation is scheduled for January 1983.

Another equipment modernization effort that is well underway is the replacement of the service center direct data entry system with a distributed input system. The original equipment was installed in 1968. The new system is scheduled for nationwide implementation in January 1984.

Computer Site Preparation

The IRS in 1980 embarked on a major building program in support of the service center replacement system. In 1982 remodeling of the first group of five service centers was completed and work on the second group of five service centers was begun. The project will be completed in March 1983.

Master File

The number of taxpayer accounts on the individual master file had grown to 122.3 million by July 1982, a 2.3 percent increase over July 1981. The business master file as of July had grown to 23.6 million active and inactive accounts, a 5.4 percent increase over July 1981. During the year ended June 30, 1982, the National Computer Center processed 522.8 million individual and business master file transactions.

Management Information Systems

A management information systems staff was established under the assistant commissioner (human resources) to oversee development of a consolidated and uniform management information system to improve the IRS's decision-making capabilities.

Statistics of Income

The IRS issued statistics of income (SOI) publications in 1982 on individual income tax returns for 1979 and 1980, partnership returns for 1978 and 1979, sole proprietorships for 1979 and 1980 and corporate income tax returns for 1978 and 1979. Corporate source books for 1978 and 1979 and four issues of the quarterly SOI Bulletin also were issued. The SOI Bulletin contains selected data formerly contained in preliminary SOI reports, which have been discontinued. It also presents key data in advance of, or instead of, the more detailed SOI reports.

SOI publications can be obtained from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

This year the IRS published another report in the international income and taxes series on foreign income and taxes reported on U.S. tax returns for 1976-1979. The IRS provided statistical data to the Department of the Treasury's office of tax analysis and the congressional Joint Committee on Taxation for use in estimating revenue and analyzing existing and proposed legislation and to the Bureau of Economic Analysis of the Department of Commerce for use in updating the national income and product accounts.

Cash Management

Improvement of IRS cash management procedures this year resulted in interest savings to the government. A significant achievement was the acceleration of the daily cash deposit cycle from 72 to 48 hours. This also was the third successive year in which the IRS reduced the time period needed to deposit all of the April 15 tax receipts.

Postage Savings

The presorting of individual and business tax packages, resulting in lower, third-class bulk-mail rates, along with eliminating the forwarding of tax packages outside of local post-office areas, reduced IRS's postage costs by approximately \$6.6 million in 1982. As a result, the IRS held postal cost increases to 15 percent, while postage rates increased by an average of 35 percent.

Training

Training for new revenue officers was substantially revised to meet the needs of the approximately 1,600 new revenue officers hired nationwide in June and July. One of the most important changes in the material was the addition of a classroom case management exercise that simulates the real work of the revenue officer occupation. Revenue agent and tax auditor training courses were revised to incorporate the Economic Recovery Tax Act of 1981. The IRS developed a new special agent basic training program that uses a self-instruction training phase at posts of duty to reduce significantly both travel and per-diem costs.

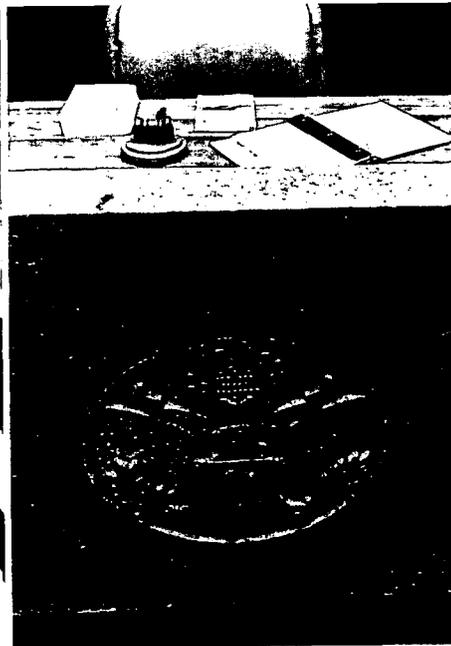
The IRS also is going to test training service center employees through the use of computers. A computerized training course on the processing of corporate tax returns will be tested at the Austin Service Center in 1983. In addition, the IRS developed new training programs to support increased automation of work processes.

Helping Other Countries

The IRS provided long-term tax administration advisory assistance in 1982 to Egypt, Jordan, Liberia, Saudi Arabia, Sierra Leone and Trinidad and Tobago. Short-term projects were conducted for Costa Rica, Haiti, Honduras and Jamaica. The Agency for International Development funded the projects, except those in Saudi Arabia and Trinidad and Tobago, which were funded by their respective governments.

This year 230 officials from 67 countries visited the IRS for orientation and observation programs. Since 1963 over 6,580 visitors from 145 countries have participated in these programs. The IRS also presented two seven-week seminars in tax administration management for tax officials from eight countries and participated in training workshops in Mexico City and Caracas.

IRS executives addressed various assemblies and conferences of the Inter-American Center of Tax Administrators (CIAT) and the Caribbean Organization of Tax Administrators, and IRS Commissioner Egger was elected to the CIAT Executive Council.



Appeals

Appeals officers held conferences with taxpayers at 36 appeals offices, 61 suboffices, and, to minimize taxpayer inconvenience, over 500 other locations across the country to resolve cases administratively. Although there was a slight decrease in the number of nondocketed appeals cases this year, there was an increase of 44 percent in docketed cases, with docketed and nondocketed case receipts together increasing from 58,505 in 1981 to 63,215 in 1982. Ending inventory increased from 39,254 cases in 1981 to 48,862 in 1982, and proposed additional tax liability in inventory increased from \$11.5 billion to \$12.2 billion.

The appeals division developed new procedures to achieve more settlements earlier. Revenue Procedure 82-42 made time limitations on appeals settlement jurisdiction in docketed cases more flexible, allowing appeals generally to keep a case as long as progress is being made toward settlement. The division also has served as a focal point in the effort to achieve settlements of shelter cases under the new settlement policy, which allows most tax shelter cases to be settled for out-of-pocket expenses. Appeals has settled 71.1 percent of the tax shelter cases deemed appropriate for settlement.

Settlement of docketed cases increased from 57.1 percent in 1981 to 65.2 percent in 1982 as a result of changes in docketed case procedures that enhance settlement opportunities. Appeals settled 85.4 percent of nondocketed cases this year, compared to 82.7 percent last year.

Of cases with proposed deficiencies exceeding \$1 million, appeals settled 77.3 percent, up from 68.6 percent last year. Although these large cases account for 85.3 percent of total dollars in inventory, they comprise only 2.6 percent of total cases in inventory.

Small cases involving deficiencies of less than \$2,500 comprise 30.3 percent of total cases in inventory, but they account for less than two percent of total dollars in inventory. Of these small cases, 85 percent were settled by appeals, up from 83.4 percent last year.

Criminal Tax

The criminal tax division and attorneys in the various field offices in 1982 reviewed 2,297 recommendations for prosecution and 1,535 requests for initiation of grand jury investigations and spent 20,912 hours providing pre-referral legal assistance to the criminal investigation division. Among the cases the criminal tax division handled that resulted in indictments, guilty pleas or convictions were those involving the promoters of an abusive coal tax shelter that produced over \$150 million in improper deductions for approximately 1,000 investors, a nationally known tax protest advocate involved in the sale and promotion of mail-order ministries, the leader of a worldwide evangelical movement who failed to report interest income, a large corporation and its former president who conspired to evade corporate income taxes by artificially inflating the cost of goods sold and the promoter of a family trust plan that more than 2,000 persons across the nation purchased.

In June 1982 the Supreme Court granted *certiorari* to a case involving the issue of whether the IRS examination process is "preliminary to" a judicial proceeding. The Court's resolution of this issue will significantly affect the IRS's ability to obtain access to grand jury materials for civil purposes.

The criminal tax division instituted a noncomplex case review procedure to speed up the legal review of prosecution referrals in cases that historically have had few legal problems. The division continued to try to eliminate overage cases. At the end of September 1982 there were 47 overage cases, down from 64 a year earlier. Over the last two years the division has reduced overage cases by 84 percent.

<i>Prosecution cases received from criminal investigation</i>		
Receipt and disposal of criminal tax matters	Total opened	2,297
	Total closed	2,396
	Counsel declined	102
	Department of Justice declined	191
	U.S. Attorney declined	283
	Prosecutions completed	1,820
Opinions		
	Pending beginning	61
	Total requested	61
	Total rendered	86
	Pending end	36

	Status	Court	Non-court	Total
Receipt and disposal of general litigation cases	Pending Oct. 1, 1981	14,266	1,682	15,948
	Received during year	22,452	5,663	28,115
	Disposed of	19,793	5,879	25,672
	Pending Sept. 30, 1982	16,925	1,466	18,391

Tax Court cases received	29,512	30,739
(Total above bars is total number of cases.)	19,026	

	20,660	
	16,995	12,711

	13,284	11,800
Tax cases other than small cases	9,332	

	10,486	9,814
	7,949	

	5,192				
Small tax cases	3,952				
	1978	1979	1980	1981	1982

Refund litigation cases received	1,080	1,071
	1,029	
	898	921

	1978	1979	1980	1981	1982
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members of other barter exchanges to report income and the tendency to report the income in the wrong year provided a reasonable basis for believing the members of the Columbus Trade Exchange may have failed to comply with the internal revenue laws.

TEFRA reduced delays in summons enforcement, since taxpayers no longer will be able to stay enforcement of a third-party recordkeeper summons simply by notifying the recordkeeper not to comply. Instead, objecting taxpayers have to file suit to quash the summons. TEFRA also clarified the Supreme Court decision in *United States v. LaSalle National Bank* by providing that the IRS may use summonses for criminal purposes as long as a referral to the Department of Justice is not in effect.

Tax Litigation

The tax litigation division assures that the legal position of the IRS is consistently presented in all refund cases and cases litigated in the Tax Court, and attorneys from the division argue most of the Tax Court motions—approximately 1,000 a year—set for hearing in Washington, D.C.

The division improved its efficiency in handling the increasing number of Tax Court cases. With a staff approximately the same size as last year's, it increased case closings 29 percent during the year. This increased productivity resulted primarily from the establishment of streamlined procedures for handling small cases and the development of case precedents in significant tax shelter areas to facilitate settlement.

The special trial attorney program finished the year with 169 groups of cases in its inventory, including many of the largest tax shelter groups in the country. For instance, approximately 1,400 separate cases, referred to generally as the London options cases, were consolidated and set for trial in Los Angeles on Jan. 31, 1983.

On June 15, 1982, the Supreme Court in *Diedrich v. Commissioner* upheld the government's long-standing position regarding the income taxation of a net gift transaction, holding that a donor who makes a gift of property on condition that the donee pay the resulting gift tax realizes taxable income to the

Status	All Tax Court cases ¹						Small tax cases				
	Taxes and penalties			Overpayments			Taxes and penalties		Overpayments		
	Number of cases ²	In dispute	Determined	Claimed	Determined	Number of cases	In dispute	Determined	Claimed	Determined	
Tax in litigation --	Pending Oct. 1, 1981	45,449	\$6,210,242		\$280,689	9,588	\$15,161		\$	69	
Tax Court cases	Received	30,739	2,691,219		53,481	9,814	17,183			147	
(In thousands of dollars)	Disposed ³	23,431	1,637,809	\$315,793	26,981	\$16,031	9,576	13,989	\$6,725	167	\$98
	Recovery rate ⁴ (percent)			19.3	59.4		48.1			58.7	
	Pending Sept. 30, 1982	52,757	7,263,652		307,189	9,826	18,355			49	

¹Does not include an inventory of nondeficiency cases consisting of 83 cases pending Oct. 1, 1981, 46 receipts, 52 disposals and 77 cases pending Sept. 30, 1982.

²Includes both small tax cases and other.

³Disposals include cases tried, settled and dismissed. Some of the determined amounts are for cases that were subsequently appealed.

⁴Amount determined expressed as percentage of amount asserted or claimed. These amounts do not include proposed assessments that are agreed to by the taxpayer at district or appeals conferences. In the case of a claimed overpayment, the recovery rates shown above represent the portion of the amount in dispute that was refunded to the taxpayer.



Status	District courts			Claims Court			Total		
	Number of cases	Amount in dispute ²	Amount in suit ⁴	Number of cases	Amount in dispute ²	Amount in suit ⁴	Number of cases	Amount in dispute ²	Amount in suit ⁴
Tax in litigation --	Pending Oct. 1, 1981	2,677	\$546,005		837	\$649,433	3,514	\$1,195,438	
refund suits ¹	Received	756	133,007		165	151,212	921	284,219	
(In thousands of dollars)	Disposed ³	814	131,662		190	107,144	1,004	238,806	
	Amount in suit ⁴		\$119,390			\$106,357		\$225,747	
	Amount not refunded ⁵		55,350			53,513		108,863	
	Percent not refunded		46.4			50.3		48.2	
	Pending Sept. 30, 1982	2,619	547,350		812	693,501	3,431	1,240,851	

¹Cases in courts of appeals and the Supreme Court are included under the columns representing the court of origin.

²Disposals include cases tried, settled and dismissed.

³Amount in dispute includes claims for refund of taxes, penalties

and interest and counterclaim amounts.

⁴Amount of taxes, penalties and assessed interest sought as a refund.

⁵That portion of the amount sought as a refund, which was not refunded to the taxpayer.

Regional Counsel

As a result of the reorganization, regional counsel now supervise appeals offices through the regional directors of appeals. The IRS's 837 appeals officers handled 52,877 cases and of those settled a total of 42,143 cases administratively in 1982. Attorneys in regional and district counsel offices represented the IRS before the Tax Court, provided advice to the IRS criminal investigation division and, upon request, to the United States attorneys, advised the IRS on legal matters involving the collection of taxes, summons enforcement and labor relations and performed numerous other in-house and courtroom legal services for the IRS.

Corporation and Individual Tax

The corporation and individual tax divisions issue revenue rulings, revenue procedures, letter rulings and technical advice memoranda that apply the tax laws to particular situations.

During the year the rulings divisions issued 290 revenue rulings and procedures and acted on 32,369 requests for letter rulings and technical advice, including 21,999 requests for changes in accounting methods and periods.

Significant revenue rulings issued this year held that earnings on investments underlying annuity contracts will be taxed currently to the policyholder rather than deferred through an annuity arrangement and that a partner will recognize gain on the forced sale of mortgaged real estate to the extent the partner's share of the mortgage exceeds his basis in his partnership interest, even though no gain is recognized on the involuntary conversion at the partnership level. Several revenue rulings relating to all-savers' certificates also were published.

The divisions dealt with questions about safe harbor leasing, such as when property is considered

placed in service and how the investment tax credit is applied in strip transactions, and helped develop cases involving the sourcing of income of drug companies operating in Puerto Rico.

The corporation tax division oversees the activities of the Commissioner's art panel, which in 1982 recommended adjustments of 35 percent in \$50 million in estates, valuations and charitable deductions claimed for contributions of paintings and sculpture. It also oversees the Commissioner's art print panel, which recommended reductions of 95 percent in \$120 million in deductions taxpayers claimed for publishing ventures.

To free up personnel time to address more complex legal and accounting problems, certain common recapitalizations were made a no-ruling area, and revenue procedures were published that removed the requirement for the Commissioner's advance consent on changes in method of accounting relating to vacation pay and bad debts.

To increase efficiency and get rulings out quicker, the rulings divisions set up target deadlines for reconciliation of proposed legal opinions between themselves and the interpretative division and established a procedure for resolution of issues when disagreement occurs at any level in the decision process. The divisions also adopted standard ruling letters for certain high-volume areas, such as charitable remainder trusts and limited partnership classifications, revamped revenue ruling review procedures to ensure early issuance of significant rulings and expanded to 12 courses the continuing education program for upgrading attorney technical skills.

Employee Plans and Exempt Organizations

The employee plans and exempt organizations division prepares regulations and provides legal advice to the IRS on issues involving employee plans and exempt organizations.

During 1982 the division proposed amendment of existing regulations to adjust benefit limitations for inflation and limit benefits that the 25 most highly compensated employees can receive in the event of early termination of an employee plan. It also proposed regulations on how an employee may elect under qualified cash or deferred arrangements that his employer contribute part of his compensation to a profit-sharing or stock-bonus plan so that the employee does not have to include the amount in his income.

The division advised the IRS and the public on what constitutes unrelated business income and what qualifications an organization must have in order to be an exempt organization. It drafted a revenue procedure that identifies which states satisfy the dissolution provision requirements of section 501(c)(3) and a revenue ruling that concludes that, with certain statutory exceptions, section 403(b) annuity contracts must be purchased from insurance companies. It also published a set of questions and answers to explain new individual retirement account rules.

	Type	Number
Revenue rulings	Administrative	23
and revenue	Employment taxes	21
procedures published	Estate and gift taxes	37
	Excise taxes	33
	Exempt organizations	14
	Income taxes	190
	Employee plans	10
	Tax conventions	2
	Total	330

Subject	Taxpayers'		
	Total	requests	Field requests
Requests for tax	32,369	31,726	643
rulings and	160	115	45
technical advice	9,676	9,676	—
(closings)	12,323	12,323	—
	1,348	1,348	—
	732	578	154
	343	304	39
	485	407	78
	142	99	43
	2,842	2,764	78
	4,318	4,112	206

Type of case	Pending			
	Oct. 1, 1981	Received	Disposed	Sept. 30, 1982
Receipt and disposal	26	38	46	18
of employee plans	46	66	73	39
and exempt	15	32	32	15
organizations	5	30	25	10
division cases	3	2	1	4
	60	22	5	77
	7	18	14	11
Total	162	208	196	174

Interpretative

The interpretative division provides legal assistance to the IRS and other divisions of Chief Counsel on most substantive and procedural tax law issues. The division also serves as a focal point for the coordination of IRS litigating and ruling positions.

To respond more quickly to ruling requests, the interpretative division implemented a new procedure for simultaneously developing, along with the rulings divisions, selected technical issues related to ruling requests.

The division prepared legal memoranda on the issue of whether life insurance companies or policyholders were the owners of mutual fund shares held by the companies in connection with wrap-around annuity contracts and on whether "excess interest" credited to life insurance reserves, maintained with respect to certain deferred annuity contracts, is a dividend to policyholders. It also determined that under section 465 an investor who purchased the title to a used motion picture and to film exploitation rights should be treated as if he had borrowed the amount of a note on a nonrecourse basis when the investor's liability on the note is contingent on the IRS's allowing the tax benefits.

The division participated on boards reviewing taxpayer appeals from adverse rulings under section 367 and provided legal advice on a number of corporate issues that became the subjects of proposed legislation.

Legislation and Regulations

The development of tax regulations comprises the bulk of the legislation and regulations division's work. The division also assists the Department of the Treasury and Congress in the drafting of tax law provisions, reviews proposed revenue rulings and drafts of forms and publications to ensure they are consistent with legislation and regulations and gives technical advice to the Department of the Treasury in the negotiation of tax treaties.

The division published regulations this year that extensively revised the previously proposed regulations for distinguishing debt from equity interests of corporations. It proposed regulations on the method by which an affiliated group of corporations that includes a life insurance company and a nonlife company should determine the group's consolidated taxable income. Before 1981 combined life/nonlife groups were not permitted to file consolidated returns.

Other regulations dealt with the computation of the 90-percent net-income limitation on windfall profit, withholding of income tax and social security and railroad retirement taxes from payments of sick pay, procedures for converting existing stock options to incentive stock options, simplified procedures for computing the price index for valuing a LIFO pool, all savers' certificates and safe harbor leasing.

The division also participated in the development and drafting of proposals for the Tax Equity and Fiscal Responsibility Act of 1982 and in negotiating and drafting tax treaties with foreign governments.

Type of case		Pending Oct. 1, 1981	Received	Disposed	Pending Sept. 30, 1982
Receipt and disposal	Revenue rulings	131	209	256	84
of interpretative	Letter rulings	11	60	44	27
division cases	Technical advice	11	115	87	39
	Other advice	56	139	158	37
	Total	209	523	545	187

Type of case		Pending Oct. 1, 1981	Received	Disposed	Pending Sept. 30, 1982
Receipt and disposal	Legislation	46	30	23	53
of legislation and	Regulations	410	108	99	419
regulations	Miscellaneous	73	152	141	84
division cases	Total	529	290	263	556

Operations

The operations division coordinates personnel and budget matters and provides general administrative support to the office of Chief Counsel.

During 1982, the division undertook an automation and computerization effort to improve efficiency in managing cases. The office of Chief Counsel in 1983 will test a computer system for case tracking and collecting and analyzing management information. This system will track case development, enable attorneys to identify cases with similar issues and provide managers with statistical information useful in allocating attorney resources.

A tracking system also is being developed to monitor legislation projects, with implementation planned for early 1983. This system will display a description of the project and its status and produce statistical reports from information that will be available to Treasury Department officials through the Treasury's executive information system. Other tracking systems for processing interpretative matters, employee plans and exempt organizations matters and tax cases on appeal will be operating early in 1983.

An automated system for jacketing Tax Court cases has increased productivity, and a subscription control system for Chief Counsel's library has improved cost control.



Table 1.—Internal revenue collections by sources and by internal revenue regions and districts, states and other areas (In thousands of dollars)

Internal revenue regions and districts, states and other areas. ¹ (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total internal revenue collections	Corporation income tax ²	Individual income and employment taxes				
			Total	Income tax not withheld and SECA ^{3, 4, 5}	Income tax withheld and FICA ^{6, 7}	Railroad retirement	Unemployment insurance
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
United States, total	632,240,506	65,990,832	521,326,872	93,037,213	421,709,842	3,228,889	3,351,128
North-Atlantic Region	108,241,327	14,982,701	87,072,997	13,015,584	75,057,413	1,009,814	1,019,602
Albany (See (c) below)	5,648,535	228,419	5,353,770	523,591	4,788,535	11,189	28,506
Augusta (Maine)	1,545,273	140,725	1,386,109	286,963	1,045,925	14,831	19,259
Boston (Massachusetts)	15,487,003	1,951,019	14,126,150	2,291,583	11,755,243	20,043	20,043
Brooklyn (See (c) below)	10,236,506	838,183	9,176,440	2,609,429	6,457,594	48,382	63,055
Buffalo (See (c) below)	8,625,216	834,196	7,502,884	1,107,755	6,340,356	837	53,935
Burlington (New Hampshire)	740,145	79,653	647,201	161,215	483,215	—	8,516
Hartford (Connecticut)	15,645,617	2,030,561	13,127,784	1,788,390	11,222,577	500	715,897
Manhattan (See (c) below)	45,206,916	7,619,854	34,653,381	3,866,592	30,730,790	10,988	225,011
Portsmouth (New Hampshire)	1,853,657	159,550	1,562,702	328,154	1,231,150	—	43
Providence (Rhode Island)	2,222,859	210,561	1,979,477	297,552	1,655,885	1,327	13,216
Mid-Atlantic Region	89,841,827	8,042,154	75,488,505	11,805,683	61,827,871	1,201,275	653,596
Baltimore	17,025,555	1,082,433	15,281,826	2,204,556	12,817,110	579,249	70,644
Foreign Operations ⁸	3,198,377	128,859	2,791,755	515,851	2,192,032	8,351	97,268
Puerto Rico	924,232	24,964	649,916	40,294	573,751	—	35,870
Other	2,274,145	103,885	2,141,320	515,851	1,619,261	8,351	1,336
Newark (New Jersey)	22,107,657	2,382,416	18,735,078	3,268,223	15,246,979	15,747	203,339
Philadelphia (See (c) below)	18,570,011	1,903,264	16,384,187	2,589,090	13,215,181	399,693	164,203
Pittsburgh (See (c) below)	14,435,074	1,579,808	11,493,170	1,382,395	9,985,798	41,905	102,472
Richmond (Virginia)	10,870,100	772,073	8,643,380	1,765,252	15,701,226	56,886	157,015
Wilmington (Delaware)	2,634,454	413,201	2,179,408	232,254	1,926,545	1,416	18,853
Southeast Region	81,517,635	5,784,484	67,815,389	11,914,488	55,891,288	351,147	385,716
Atlanta (Georgia)	10,377,811	1,136,476	8,551,274	1,418,323	7,059,985	3,409	68,538
Birmingham (Alabama)	5,459,741	453,511	4,798,873	901,028	3,857,514	2,879	37,452
Columbia (South Carolina)	4,191,859	371,729	3,726,359	519,158	3,039,129	9,392	21,111
Greensboro (North Carolina)	11,360,973	1,457,105	8,272,838	1,465,889	6,714,843	680	71,425
Jackson (Mississippi)	2,814,042	195,408	2,528,495	393,261	1,777,893	96,422	17,918
Jacksonville (Florida)	19,939,915	1,495,952	15,435,522	5,531,291	10,496,077	24,959	119,492
Nashville (Tennessee)	7,324,593	689,183	6,394,576	1,268,147	5,049,848	1,003	14,425
Central Region	81,487,107	7,812,385	68,063,583	9,849,197	58,821,624	68,748	424,026
Cincinnati (See (c) below)	11,762,970	1,478,985	9,521,734	1,027,147	7,840,291	62	74,223
Cleveland (See (d) below)	21,685,014	2,709,627	16,896,611	16,696,611	14,637,325	12,014	102,214
Detroit (Michigan)	26,721,521	2,024,334	23,820,384	2,425,367	21,202,389	4,589	148,019
Indianapolis (Indiana)	12,384,423	789,960	11,122,739	1,558,661	9,398,478	9,682	55,719
Louisville (Kentucky)	6,642,193	657,640	4,412,647	1,044,248	3,335,499	1,866	31,223
Parkersburg (West Virginia)	2,320,876	156,848	2,099,298	466,716	1,607,653	313	14,816
Midwest Region	96,650,882	8,777,889	82,447,389	12,668,888	69,786,888	978,880	591,487
Aberdeen (South Dakota)	877,681	62,537	798,366	116,880	681,486	4	4,853
Chicago (See (b) below)	34,443,594	3,892,149	28,592,317	3,830,065	24,045,619	343,789	272,844
Des Moines (Iowa)	4,968,678	594,441	4,179,389	594,441	3,681,441	1,701	25,736
Fargo (North Dakota)	1,157,110	74,887	1,005,647	338,117	661,225	20	5,985
Minneapolis (Wisconsin)	10,795,450	1,350,615	8,979,661	1,354,859	7,598,661	2,773	63,368
Omaha (Nebraska)	3,929,109	391,542	3,408,515	683,310	2,531,195	17,993	169,466
St. Louis (Missouri)	14,857,385	1,518,572	12,648,656	1,800,631	10,689,317	72,116	84,591
St. Paul (Minnesota)	13,629,964	1,362,694	11,931,583	1,379,237	10,103,906	380,482	67,847
Springfield (See (b) below)	5,981,510	589,273	5,142,632	1,207,372	3,985,059	4,656	48,849
Southwest Region	94,853,082	10,742,513	70,575,938	15,829,407	53,950,774	243,984	453,473
Albuquerque (New Mexico)	1,910,655	141,859	1,682,280	418,815	1,251,549	35	12,083
Austin? (See (f) below)	10,212,327	1,470,475	8,960,274	2,358,461	7,599,498	4,980	37,335
Cheyenne (Wyoming)	1,121,175	90,557	855,648	293,951	555,853	—	5,241
Dallas (See (f) below)	21,838,259	2,928,484	16,096,510	3,983,331	11,969,728	23,840	118,611
Denver? (Colorado)	11,638,739	577,842	9,814,611	1,508,319	8,229,369	45,527	33,376
Houston? (See (f) below)	15,308,770	2,175,981	10,016,191	2,155,832	7,771,823	8,890	78,356
Little Rock (Arkansas)	2,869,097	319,111	2,365,883	639,379	1,703,123	2,250	21,131
New Orleans (Louisiana)	9,227,004	1,127,030	7,598,490	1,799,287	5,743,483	3,368	53,362
Oklahoma City (Oklahoma)	11,956,739	1,266,715	1,000,586	1,626,969	5,623,855	965	49,770
Wichita (Kansas)	5,770,306	844,459	4,585,723	1,147,164	3,242,374	166,006	30,118
Western Region	101,672,120	9,180,145	85,538,098	17,944,288	67,686,888	251,095	556,019
Anchorage (Alaska)	1,348,991	75,219	1,261,723	233,944	1,017,856	—	5,125
Boise (Idaho)	1,745,213	130,027	1,588,459	301,046	1,274,175	1,265	11,973
Helena (Montana)	1,227,943	80,699	1,072,355	324,351	739,011	631	8,362
Honolulu (Hawaii)	1,876,628	157,750	1,574,537	329,194	1,333,156	—	12,188
Los Angeles (See (a) below)	41,389,821	4,677,011	32,968,307	6,896,791	26,021,543	3,170	244,803
Phoenix (Arizona)	4,519,580	265,027	4,144,795	1,030,993	3,080,736	854	32,413
Portland (Oregon)	5,218,339	423,220	4,640,375	910,026	3,700,218	1,592	28,541
Reno (Nevada)	2,047,114	188,851	1,814,432	462,089	1,338,492	2	13,850
Salt Lake City (Utah)	2,201,943	221,335	2,077,329	387,384	1,622,200	2,839	15,109
San Francisco (See (a) below)	30,152,049	2,291,412	25,489,672	4,294,007	20,468,310	243,087	131,287
Seattle (Washington)	9,844,519	639,595	8,897,113	1,753,474	7,081,192	1,058	51,390
Undistributed:							
Federal tax deposits ⁹	1,683,117	451,527	1,458,515	—	1,439,920	26,547	-7,653
Gasoline, lubricating oil and excess FICA credits ⁹	458,761	54,422	404,339	404,339	—	—	—
Withheld taxes of federal employees	68,508	—	—	—	68,508	—	—
Cleaning account for excise taxes—aviation fuel and oil—Air Force and Navy	—	—	—	—	—	—	—
Presidential election campaign fund ¹⁰	39,030	—	—	—	—	39,030	—
Earned income credits ¹¹	25,315	—	—	—	—	25,315	—
Other ¹²	1,891,397	—	1,497,829	1,635,956	228,171	—	-366,298
Totals for states not shown above							
(a) California	71,541,870	6,968,423	58,436,978	11,327,798	46,489,653	243,257	376,070
(b) Illinois	40,425,103	4,481,422	33,740,153	5,137,437	27,930,678	350,246	321,783
(c) New York	69,717,182	6,520,652	59,526,617	7,929,867	48,317,275	69,276	370,667
(d) Ohio	33,427,984	4,184,612	26,819,345	3,354,205	23,077,606	12,066	174,438
(e) Pennsylvania	34,005,685	3,283,172	27,857,637	3,966,485	23,180,979	441,498	268,675
(f) Texas	50,159,356	6,574,940	38,072,976	6,497,724	27,301,749	38,801	235,302

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Table 1.—Continued
(In thousands of dollars)

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Estate tax	Gift tax	Excise taxes, total (sum of columns 11, 15, 16, 23, 26 and 35)	Alcohol taxes					Tobacco taxes 12, 14
				Total	Distilled spirits taxes 12, 11	Wine taxes 12, 11	Beer taxes 12, 11	(14)	
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
United States, total	8,035,335	109,038	36,779,428	5,459,910	3,834,519	216,937	1,606,303	2,539,495	
North-Atlantic Region	1,281,903	28,025	3,284,720	526,102	346,534	40,358	149,187	1,804	
Alabama	50,969	231	12,034	349	206	108	33	96	
Augusta (Maine)	16,472	209	21,738	2,720	2,720	—	—	—	
Boston (Massachusetts)	182,585	1,742	245,987	126,573	108,336	3,470	14,287	379	
Brooklyn	167,280	1,412	53,192	16,981	15,093	1,810	78	16	
Buffalo	94,801	494	192,842	121,750	98,4	22,452	98,910	—	
Burlington	8,018	38	5,255	76	75	—	—	—	
Hartford	139,390	1,628	346,254	96,171	96,144	2	25	257	
Manhattan (Connecticut)	17,855	151	45,367	139,330	117,125	12,496	8,699	1,057	
Northampton	576,530	22,431	2,334,720	32,061	4,920	7	27,134	—	
Portsmouth	25,444	157	6,821	101	92	3	—	—	
Providence	846,990	10,255	5,453,923	1,038,548	809,573	10,187	206,786	891,347	
Rhode Island	177,836	2,032	460,728	253,972	229,676	6,385	17,911	—	
Mid-Atlantic Region	18,152	258	259,272	231,441	231,440	—	—	—	
Baltimore (Maryland & D.C.)	1,550	126	247,877	231,440	231,439	—	—	—	
Puerto Rico	16,807	132	11,996	1	1	—	—	—	
Other	192,444	1,681	818,038	307,054	242,998	341	63,776	343	
Newark (New Jersey)	1,106,115	1,597	82,715	53,988	1,785	36,942	12,892	—	
Philadelphia	90,832	629	1,470,836	64,820	48,317	19	19,583	14	
Pittsburgh	143,801	2,956	1,307,760	78,393	3,165	1,657	71,571	688,817	
Richmond (Virginia)	26,927	150	15,074	50	—	—	—	—	
Wilmington (Delaware)	101,887	9,290	2,822,815	490,385	165,778	6,202	318,388	1,488,382	
Southwest Region	871,819	14,227	588,738	100,252	16,620	496	83,236	181,729	
Atlanta	56,074	738	147,545	2,511	199	—	—	—	
Birmingham	45,155	531	38,085	957	200	730	81	—	
Columbus	112,803	1,226	1,517,001	99,505	398	22	29,094	1,271,232	
Greensboro	35,223	768	54,118	155	81	4	70	—	
Jackson	428,932	3,767	420,642	152,615	48,421	4,747	99,447	91,118	
Jacksonville	81,435	713	158,886	134,170	97,817	1	36,253	593	
Nashville (Tennessee)	174,553	10,571	4,825,715	1,396,181	1,655,036	1,396,181	152,600	377,077	
Central Region	1,131	235,887	177,463	119,193	380	57,889	—	376	
Cincinnati	184,237	1,538	2,072,900	51,192	41,807	6,370	62,257	1	
Cleveland	165,218	2,030	3,033,947	239,058	6,632	62,257	—	—	
Detroit	120,644	3,920	347,170	193,814	178,824	10	14,890	368	
Louisville (Kentucky)	59,918	1,693	1,510,086	821,965	110,659	—	376,157	—	
Parkersburg (West Virginia)	440	51	7,649	7,603	—	45	—	—	
Midwest Region	1,148,374	22,549	2,965,881	833,585	301,407	8,749	323,429	269	
Abbeville (South Dakota)	15,097	151	13,531	—	—	—	—	—	
Chicago	185,393	5,071	1,627,244	166,294	162,021	3,675	398	263	
Des Moines	129,385	1,038	64,525	4,992	4,714	23	255	—	
Fargo	80,902	138	13,335	78	1	9	—	—	
Milwaukee	56,539	1,323	81,092	3,716	149	—	3,567	—	
Omaha	145,702	2,226	544,290	191,912	69,951	118,429	—	—	
St. Louis	120,711	7,827	207,155	27,264	551	29,693	—	—	
St. Paul	125,131	2,289	116,892	46,847	29,620	—	17,225	—	
Springfield	1,123,227	18,071	12,196,394	348,568	90,790	4,456	253,392	226	
Southwest Region	183,659	3,291	1,594,629	66,998	28,551	3,067	34,479	201	
Albuquerque	29,266	965	60,604	1,924	1	—	—	—	
Austin	12,900	1,083	161,897	53	45	—	—	—	
Cheyenne	821,034	2,685	2,330,646	84,412	885	5	83,522	8	
Dallas	82,022	1,027	1,163,238	111,784	238	—	—	—	
Denver	160,856	813	2,954,829	22,630	1,241	—	21,899	—	
Houston	39,970	357	143,777	10,169	9,800	336	33	8	
Little Rock	127,664	967	372,862	49,739	4,677	1,047	1,915	9	
New Orleans	118,692	3,267	2,907,107	229	107	—	122	—	
Oklahoma City	92,453	876	446,796	1,252	96	—	202,342	391	
Wichita	1,695,101	11,878	5,267,094	899,207	524,389	142,596	2	1	
Western Region	3,081	37	8,921	81	55	3	11	—	
Anchorage	15,772	178	10,778	111	87	12	—	—	
Boise	21,784	226	4,703	4,236	125	342	—	—	
Helena	88,423	291	17,511	368	32	31	—	—	
Honolulu	823,919	3,889	2,616,695	269,325	169,059	4,936	105,330	313	
Los Angeles	75,490	891	35,357	5,504	2,192	12	2,699	2	
Phoenix	84,423	291	10,050	46,481	34,815	816	10,750	—	
Portland	21,153	185	19,767	80	25	—	21	—	
Reno	495,756	4,180	1,882,050	479,766	310,288	135,779	33,698	61	
Salt Lake City	103,922	769	12,364	62,688	80	—	49,454	2	
Seattle	—	—	—	—	—	—	—	—	
Undistributed:	—	—	—	—	—	—	—	—	
Federal tax deposits	—	—	—	—	—	—	—	—	
Gasoline, lubricating oil and excess FICA credits	—	—	—	—	—	—	—	—	
Withheld taxes of federal employees	—	—	—	—	—	—	—	—	
Cleaning account for excise taxes—aviation fuel and oil—Air Force and Navy	—	—	—	—	—	—	—	—	
Presidential election campaign fund	—	—	—	—	—	—	—	—	
Earned income credits	—	—	—	—	—	—	—	—	
Other	393,568	—	—	—	—	—	—	—	
Totals for states not shown above	—	—	—	—	—	—	—	—	
(a) California	1,319,675	8,049	4,808,744	749,091	469,347	140,715	139,029	374	
(b) Illinois	451,644	7,859	1,745,226	213,921	181,541	3,676	17,622	263	
(c) New York	881,709	24,669	2,593,688	277,407	132,811	36,878	107,720	1,188	
(d) Ohio	315,570	2,669	2,309,768	229,655	160,899	2,796	94,885	376	
(e) Pennsylvania	297,701	2,225	2,511,951	102,395	1,805	53,265	—	12,906	
(f) Texas	624,556	6,769	8,660,102	173,440	30,677	138,691	—	209	

Table 1.—Continued
(In thousands of dollars)

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total	Gasoline	Manufacturers' excise taxes				
			Lubricating oil, etc.	Tires (wholly or in part of rubber) inner tubes and other rubber	Motor vehicles chassis, bodies, parts and accessories	Black lung	Recreational taxes 12, 14
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
United States, total	6,382,900	4,214,373	106,483	616,785	884,845	426,620	131,289
North-Atlantic Region	709,433	452,853	15,107	142,522	20,040	13,877	85,284
Albany	7,412	7,006	—	—	—	—	—
Augusta (Maine)	13,972	12,310	—	—	270	—	77
Boston (Massachusetts)	59,820	43,741	169	49	139	—	—
Brooklyn	19,036	15,808	56	674	2,394	—	—
Buffalo	50,358	23,620	94	22,852	3,122	—	13,321
Burlington	2,650	2,322	—	—	—	—	—
Hartford	141,898	21,285	81	679	5	—	628
Manhattan (Connecticut)	401,894	321,071	14,895	89,722	5,725	—	12,734
Northampton	4,754	2,907	—	—	—	—	—
Portsmouth	4,556	1,679	8	123	170	—	396
Providence	4,181	2,907	—	—	—	—	—
Mid-Atlantic Region	846,410	454,215	22,025	80,122	2,274	—	155
Baltimore (Maryland & D.C.)	107,211	33,582	430	542	120,847	—	147,371
Foreign Operations	—	—	—	—	—	—	1,674
Puerto Rico	—	—	—	—	—	—	142
Other	—	—	—	—	—	—	—
Newark (New Jersey)	94,521	60,510	5,674	325	142	—	1
Philadelphia	260,346	129,911	4,982	24,770	3,004	—	4,299
Pittsburgh	313,736	202,215	1,934	2,584	8,067	—	18,193
Richmond (Virginia)	67,994	25,339	—	2,584	6,338	—	90,983
Wilmington (Delaware)	2,745	2,648	—	—	1,925	—	36,516
Southwest Region	57,700	207,271	1,063	7,103	46,181	—	27,301
Atlanta	29,645	45,965	296	1,760	8,067	—	254
Birmingham	48,530	22,880	62	1,965	8,756	—	14,345
Columbus	25,583	22,935	29	239	956	—	1,579
Greensboro	78,204	57,778	29	1,671	17,059	—	405
Jackson	10,540	9,886	—	117	11,059	—	268
Jacksonville (Mississippi)	39,349	29,973	289	1,265	3,846	—	8
Nashville (Tennessee)	36,829	17,753	389	325	303,585	—	3,961
Central Region	1,227,281	470,402	7,818	324,242	12,229	—	1,034
Cincinnati	39,129	18,288	41	2,293	30,587	—	118,771
Cleveland	607,211	242,626	1,907	4,754	13,999	—	445
Detroit	321,083	43,870	279	6,640	19,322	—	1,932
Indianapolis	78,059	54,530	76	1,575	23,092	—	1,081
Louisville (Kentucky)	146,703	72,874	—	1,575			

Table 1.—Continued
(In thousands of dollars)

Internal revenue regions and districts, states and other areas. ¹ (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Special fuel taxes			Other ¹⁴
	Total	Diesel and special motor fuels	(24)	
	(23)	(24)	(25)	
United States, total	528,825	598,840	29,785	1,001
North-Atlantic Region	33,949	32,948	997	1,001
Albany (See (c) below)	1,821	1,815	66	
Augusta (Maine)	2,246	2,167	79	
Boston (Massachusetts)	6,201	6,114	87	
Brooklyn (See (c) below)	2,927	2,887	40	
Buffalo (See (c) below)	6,072	6,024	48	
Burlington (Vermont)	772	746	26	
Hartford (Connecticut)	3,562	3,734	-232	
Manhattan (See (c) below)	7,484	6,789	696	
Portsmouth (New Hampshire)	1,589	1,479	110	
Providence (Rhode Island)	1,175	1,158	17	
Mid-Atlantic Region	87,364	84,586	2,778	116
Baltimore (Maryland & D.C.)	7,241	7,126	116	
Foreign Operations ¹	45	53	-8	
Puerto Rico	1	1		
Other	45	52	-8	
Newark (New Jersey)	14,738	14,545	193	
Philadelphia (See (c) below)	14,413	14,150	263	
Pittsburgh (See (c) below)	37,396	35,190	2,206	
Richmond (Virginia)	12,369	12,424	-55	
Washington (See (c) below)	1,103	1,100	3	
Southeast Region	84,785	80,965	3,820	368
Atlanta (Georgia)	14,550	14,540	10	
Birmingham (Alabama)	9,786	9,420	366	
Columbus (South Carolina)	5,228	5,184	44	
Greensboro (North Carolina)	15,054	14,951	103	
Jackson (Mississippi)	2,664	2,618	46	
Jacksonville (Florida)	10,094	10,038	56	
Nashville (Tennessee)	18,407	17,214	1,193	
Central Region	83,402	81,846	1,556	2,591
Cincinnati (See (c) below)	7,912	5,321	2,591	
Cleveland (See (c) below)	27,042	27,023	19	
Detroit (Michigan)	11,207	10,948	259	
Indianapolis (See (c) below)	19,668	17,146	2,522	
Louisville (Kentucky)	15,006	12,668	2,338	
Parkersburg (West Virginia)	2,369	2,029	340	
Midwest Region	102,592	91,055	11,537	1,174
Aberdeen (South Dakota)	2,729	2,556	174	
Chicago (See (c) below)	24,330	24,184	146	
Des Moines (Iowa)	10,736	10,049	687	
Fargo (North Dakota)	4,086	3,896	190	
Milwaukee (Wisconsin)	13,324	12,484	840	
Omaha (Nebraska)	6,572	6,329	243	
St. Louis (Missouri)	22,358	16,159	6,199	
St. Paul (Minnesota)	8,970	8,217	753	
Springfield (See (c) below)	8,511	7,182	1,329	
Southwest Region	144,434	140,228	4,206	158
Albuquerque (New Mexico)	4,134	3,978	156	
Austin (See (c) below)	19,715	21,606	-1,891	
Cheyenne (Wyoming)	4,018	3,918	99	
Dallas (See (c) below)	39,467	38,903	564	
Denver (Colorado)	8,517	8,589	-72	
Houston (See (c) below)	13,650	12,399	1,251	
Little Rock (Arkansas)	8,185	7,804	381	
New Orleans (Louisiana)	10,928	8,116	2,812	
Oklahoma City (Oklahoma)	21,901	21,449	452	
Wichita (Kansas)	13,620	13,368	252	
Western Region	82,156	83,723	-1,567	54
Anchorage (Alaska)	582	538	44	
Boise (Idaho)	3,612	3,536	76	
Helena (Montana)	3,185	3,011	174	
Honolulu (Hawaii)	688	670	18	
Los Angeles (See (a) below)	24,839	24,543	296	
Phoenix (Arizona)	5,869	5,978	-109	
Portland (Oregon)	6,205	6,729	-524	
Reno (Nevada)	2,803	2,396	407	
Salt Lake City (Utah)	11,497	11,318	179	
San Francisco (See (a) below)	27,949	27,901	48	
Seattle (Washington)	6,492	5,141	1,350	
Undistributed:				
Federal tax deposits ¹				
Gasoline, lubricating oil and excess FICA credits ²				
Withheld taxes of federal employees				
Cleaning account for excise taxes—aviation fuel and oil—Ar Force and Navy				
Presidential election campaign fund ³				
Earned income credits ¹¹				
Other ¹²				
Totals for states not shown above				
(a) California	52,769	52,544	225	
(b) Illinois	23,818	21,366	2,452	
(c) New York	18,404	17,515	889	
(d) Ohio	34,854	32,344	2,510	
(e) Pennsylvania	61,008	49,339	11,669	
(f) Texas	72,832	72,908	-76	

Table 1.—Continued
(In thousands of dollars)

Internal revenue regions and districts, states and other areas. ¹ (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Miscellaneous excise taxes									
	Total	Telephone and teletype-writer services	Transportation of persons by air	Wagering taxes ¹⁴	Use tax on highway motor vehicles	Private foundations net investment income	Windfall profit tax	Environmental taxes	Other ¹⁴	Unclassified excise tax ¹⁷
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)
United States, total	24,813,053	919,749	1,154,883	18,847	257,239	93,188	22,035,927	252,203	82,449	-3,044,455
North-Atlantic Region	2,145,874	180,988	32,443	84	20,838	27,002	1,837,840	41,975	24,785	-182,240
Albany (See (c) below)	2,775	642	291	19	1,387	271	1	46	107	381
Augusta (Maine)	1,969	205	327	44	1,244	95	4	31	63	-140
Boston (Massachusetts)	67,417	34,807	23,319	44	34,007	2,325	2,219	163	943	-15,803
Brooklyn (See (c) below)	8,475	27	4,329	1	2,652	432	54	85	926	5,756
Buffalo (See (c) below)	13,735	3,556	648	19	3,556	1,243	35	4,302	380	921
Burlington (Vermont)	2,331	127	1,527	-	547	86	-	45	574	-
Hartford (Connecticut)	37,093	17,086	557	57	17,658	2,070	9,065	2,394	84,283	-
Manhattan (See (c) below)	20,045,666	104,019	1,305	3	3,840	20,588	1,832,553	28,201	14,318	-218,703
Portsmouth (New Hampshire)	6,289	330	31	1	771	369	3	77	4,906	675
Providence (Rhode Island)	923	50	50	96	33,242	1,038	3,088,247	48,071	13,602	-602,302
Mid-Atlantic Region	3,404,918	105,976	101,298	30	3,982	14,724	7,577	510	1,431	28,087
Baltimore (Maryland & D.C.)	82,897	23,212	44,241	30	3,982	1,038	7,577	510	10,795	-1,506
Foreign Operations ¹	20,963	9	6,812	3	700	21	10,086	15	1	-1,841
Puerto Rico	10,114	2	2	1	9	9	9	9	9	9
Other	10,849	6,610	6,610	2	700	29	21	709	2,770	333
Newark (New Jersey)	599,715	27,735	35,506	4	7,693	2,070	507,378	6,008	3,209	-190,433
Philadelphia (See (c) below)	963,590	34,853	1,009	25	8,455	4,779	901,999	7,500	4,840	-239,841
Pittsburgh (See (c) below)	1,525,806	684	464	10	5,190	2,700	1,500,251	15,814	692	-471,035
Richmond (Virginia)	211,203	19,441	12,825	22	5,453	819	171,020	719	743	27,884
Washington (See (c) below)	10,444	1	81	2	1,570	1,073	7	6,355	100	732
Southeast Region	638,152	178,420	305,847	752	37,018	6,768	101,051	3,036	4,483	-53,704
Atlanta (Georgia)	235,930	82,317	144,293	138	5,828	464	8	196	709	-4,433
Birmingham (Alabama)	128,242	67,033	76	36	4,688	181	54,173	1,481	363	-45,255
Columbia (South Carolina)	4,594	2,269	308	38	2,487	291	2	7	196	1,562
Greensboro (North Carolina)	48,547	11,250	26,513	121	8,157	1,594	8	196	709	-4,433
Jackson (Mississippi)	42,918	223	16	106	2,453	69	48,165	183	104	-8,561
Jacksonville (Florida)	155,088	13,387	129,804	41	7,900	1,822	161	314	1,780	45,377
Nashville (Tennessee)	14,430	2,942	4,557	255	5,194	1,045	49	80	309	-47,444
Central Region	1,819,352	96,248	3,887	883	35,009	8,335	1,441,788	28,548	5,245	73,172
Cincinnati (See (c) below)	28,114	11,783	1,111	32	4,348	1,046	4,289	844	-16,731	
Cleveland (See (c) below)	1,259,767	29,672	664	111	8,130	1,972	2,055,893	9,650	2,664	-128,311
Detroit (Michigan)	113,377	28,150	426	156	4,008	3,245	39,390	11,240	746	-51,020
Indianapolis (Indiana)	66,669	19,292	889	235	7,557	1,608	38,133	631	525	-12,528
Louisville (Kentucky)	144,355	2,758	134	74	3,405	296	135,128	2,162	376	-4,114
Parkersburg (West Virginia)	4,593	1,271	74	6	1,648	166	582	447	90	826
Midwest Region	1,051,259	182,767	380,019	1,347	45,813	12,996	406,263	23,845	18,407	371,394
Aberdeen (South Dakota)	1,548	343	6	50	1,085	21	17,034	12,409	430,992	
Chicago (See (c) below)	564,147	35,234	175,507	86	5,550	308,605	17,034	12,409	430,992	
Des Moines (Iowa)	11,030	2,726	97	9	5,108	348	2,158	165	418	-449
Fargo (North Dakota)	3,034	274	24	682	1,484	41	458	10	61	636
Milwaukee (Wisconsin)	38,772	15,712	7,749	2	6,221	1,448	10,741	244	2,655	2,315
Omaha (Nebraska)	57,857	32,990	196	205	2,883	350	16,817	2,523	95	-5,551
St. Louis (Missouri)	222,479	87,161	95,913	87	6,647	1,890	26,450	3,716	534	-5,427
St. Paul (Minnesota)	128,757	1,473	85,033	152	8,531	2,824	25,868	131	1,975	-56,101
Springfield (See (c) below)	25,535	6,854	823	73	3,803	323	13,263	22	173	-5,102
Southwest Region	11,845,033	67,089	227,005	822	44,809	12,693	11,399,286	84,405	8,921	-1,785,880
Albuquerque (New Mexico)	47,314	121	209	19	1,178	30	45,433	209	118	-6,534
Austin (See (c) below)	1,300,351	737	3,822	124	5,853	1,147	1,276,549	11,254	755	-132,699
Cheyenne (Wyoming)	139,139	111	111	11	1,213	74	137,425	187	29	-5,040
Dallas (See (c) below)	2,791,533	10,773	39,638	111	10,300	3,965	2,705,671	19,624	1,488	-1,003,417
Denver (Colorado)	1,021,820	48,566	27,049	5	3,694	987	940,542	613	364	-69,181
Houston (See (c) below)	2,808,403	236	10,898	91	3,746	4,028	2,756,794	30,660	2,	

Table 2.—Internal revenue collections by sources
(In thousands of dollars)

Sources of revenue	1981	1982
Grand total, all sources	606,799,103	632,240,506
Corporation income taxes, total ¹⁸	73,735,156	65,890,832
Regular	73,692,156	65,526,131
Exempt organizations business income tax	40,991	64,701
Individual income and employment taxes, total	485,735,962	521,226,872
Income tax not withheld and SECA ^{19, 20}	32,884,490	33,637,213
Income tax withheld and FICA ^{21, 22}	396,495,012	421,709,642
Railroad retirement, total ²³	2,710,394	3,228,989
Unemployment insurance ²⁴	3,845,456	3,351,126
Estate tax ²⁵	6,694,641	6,035,335
Gift tax ²⁶	215,745	198,038
Excise taxes, total	40,418,598	36,779,428
Alcohol taxes, total	5,688,413	5,459,810
Distilled spirits taxes, total	3,837,840	3,634,519
Imported (collected by Customs, rates same as domestic)	556,225	552,948
Domestic, \$10.50 per proof gallon or wine gallon when below proof ²⁷	3,280,614	3,052,670
Rectification, 30 cents per proof gallon ²⁸	10	4
Occupational taxes, total	18,759	18,655
Nonoverseas manufacture of spirits, \$25, \$50, \$100 per year	89	82
Racetracks ²⁹	1	1
Retail dealer (distilled spirits, wines and beer), \$54 per year	17,331	17,154
Wholesale dealer (distilled spirits, wines and beer), \$255 per year	1,328	1,411
Manufacturers of stills, \$55 per year	6	5
Stills or condensers manufactured, \$22 each	5	3
Seizures, penalties, etc.	32	32
Wine taxes, total	244,445	218,987
Imported (collected by Customs, rates same as domestic)	41,093	49,105
Domestic (still wines, 17 cents, 67 cents, \$2.25 per wine gallon; sparkling wines, \$3.40; artificially carbonated wines, \$2.40) ³⁰	203,334	169,882
Occupational taxes	19	1
Beer taxes, total	1,608,328	1,806,303
Imported (collected by Customs, rates same as domestic)	42,882	44,556
Domestic, \$9 per barrel of 31 gallons (\$7 for certain small U.S. brewers) ³¹	1,561,325	1,559,434
Occupational taxes, total	2,321	2,313
Brewers, total	13	19
Less than 500 barrels, \$55 per year	3	2
500 barrels or more, \$110 per year	10	16
Retail dealers in beer, \$24 per year (includes limited retail dealer in distilled spirits, wine and beer, \$2.20 and \$4.50 per month)	1,781	1,777
Wholesale dealers in beer, \$120 per year	527	516
Tobacco taxes, total	2,583,857	2,539,495
Cigarettes, total ³²	2,538,574	2,499,048
Small (Class A), \$4 per thousand	15	8
Large (Class B), \$8.40 per thousand, except if over 6 1/2 inches long, \$4 per thousand for each 2 3/4 inches or fraction thereof	8	18
Payments	40,742	35,868
Wholesale price not more than \$235.294 per thousand, 6 1/2 percent	38,890	34,588
Wholesale price more than \$235.294 per thousand, \$20 per thousand	34,947	30,554
Small cigars, 75 cents per thousand	4,743	4,134
Payments	1,024	961
Imported cigars, cigarettes, cigarette papers and cigarette tubes (collected by Customs, rates same as domestic)	27	17
Miscellaneous tobacco	3,195	3,159
Cigarette papers and tubes, paper one-half cent per 50, tubes 1 cent per 50	15	49
	1,232	1,576

Table 2.—Continued
(In thousands of dollars)

Sources of revenue	1981	1982
Excise taxes—continued		
Manufacturers' excise taxes, total	6,088,158*	6,382,800
Gasoline, 4 cents per gallon	4,007,858	4,214,373
Lubricating oil, etc., 6 cents per gallon	100,760	106,483
Tires (wholly or in part of rubber), inner tubes and tread rubber, total	668,902	616,785
Tires, highway type, 9.75 cents per pound, other, 4.675 cents per pound, except laminated tires (other than type used on highway vehicles), 1 cent per pound	822,342	573,977
Inner tubes, 10 cents per pound	28,379	21,326
Tread rubber, 5 cents per pound	20,161	20,881
Motor vehicles, chassis, bodies, parts and accessories, total	914,524*	884,845
Trucks and buses, chassis, bodies, etc., 10 percent	281,265	652,366
Parts and accessories for trucks and buses, 8 percent	227,259	232,477
Pistols and revolvers, 10 percent	26,650	30,353
Fishing rods, creels, etc., 10 percent	32,143	35,011
Bows and arrows, 11 percent	7,192	7,673
Firearms (other than pistols and revolvers), 11 percent ³³	51,704	34,846
Shells and cartridges, 11 percent ³⁴	40,365	23,405
Back lung, total ³⁵	237,097	426,820
Underground mined coal - \$1.00 per ton	103,690	234,103
Underground mined coal - 4 percent of price per ton	21,408	32,413
Surface mined coal - 50¢ per ton	77,428	128,717
Surface mined coal - 4 percent of price per ton	34,573	31,388
Fuel economy, \$200 to \$1,200 ³⁶	718*	1,716
Alcohol sold as but not used as fuel, 40¢ per gallon up to and 30¢ over 150 proof ³⁷	683*	324
Other	-500*	465
Special fuels, total	647,486	628,825
Noncommercial aviation gasoline, 3 cents per gallon ³⁸	3,917	422
Noncommercial aviation fuel other than gasoline, 7 cents per gallon ³⁹	11,806	806
Diesel and special motor fuels, 4 cents per gallon (in some instances 2 cents per gallon)	553,107	598,640
Inland waterway fuel, 6 cents per gallon ⁴⁰	18,556	28,756
Other ⁴¹	-	-
Miscellaneous excise taxes, total	19,773,803	24,813,953
Telephone and teletypewriter exchange services, percent ⁴²	998,503	819,748
Transportation of persons by air, 5 percent ⁴³	1,280,732	1,154,883
Transportation of property by air, 5 percent ⁴⁴	14,214	-117
Use of international air-travel facilities, \$3 per person ⁴⁵	31,683	72
Coin-operated gaming devices, \$250 per device per year ⁴⁶	189	102
Wagering taxes, total	13,163	16,647
Occupational tax, \$500 per year	1,074	1,290
Wagers, 2 percent of amount wagered	12,089	15,357
Use tax on highway vehicles weighing over 26,000 pounds, \$3 per 1,000 pounds per year (installation privileges permitted)	266,225	257,329
Use tax on civil aircraft, \$25 per year with an additional 2 cents per pound on non turbine engine powered over 2,500 pounds or 3 1/2 cents per pound on turbine engine powered ⁴⁷	6,656	547
Firearms transfer and occupational taxes ⁴⁸	794	680
Foreign insurance, 1¢ or 4¢ per dollar of premium	78,826	68,278
Exempt organizations, total	89,886	98,526
Net investment income, 2 percent	84,045	92,198
Self dealing, 5 percent on self-dealer, lesser of \$10,000 or 2 1/2 percent on foundation manager	2,576	227
Excess business holdings, 5 percent on foundation	44	36
Taxable expenditures, 10 percent on foundation, lesser of \$5,000 or 2 1/2 percent on foundation manager	150	142
Failure to timely file certain information returns, \$10 per day up to a maximum of \$5,000	1,910	3,311
Failure to distribute income, 15 percent of undistributed income	1,159	1,919
Investments that jeopardize charitable purpose, 5 percent on foundation, lesser of \$5,000 or 5 percent on foundation manager	4	4
Employee pension plans, total	4,485	7,482
Excess contributions to an IRA, 6 percent of excess amount	956	938
Tax on underdistributions from an IRA, 50 percent of underdistribution	153	130
Prohibited transactions, 5 percent of prohibited transaction	1,140	3,653
Tax on excess contributions to an IRA-10 plan, 6 percent of excess amount	81	77
Failure to meet funding standards, 5 percent of funding deficiency	40	99
Tax on excess contributions to custodial account, 6 percent of excess amount	1,120	1,567
Failure to file registration statement, \$1 per day up to \$5,000	55	80
Failure to file notification of change, \$1 per day up to \$5,000	6	3
Failure to file statement required by section 6047 or 6058, \$10 per day up to \$5,000	932	1,541
Failure to file individual statement, \$50 for each failure	-	-
Failure to furnish actuarial report, \$1,000 for each failure	-	-
Failure to provide IRA reports, \$10 for each failure	-	-
Black lung benefit trusts, excess contributions, 5 percent of excess amount	-	2
Taxes on lobbying expenditures, 25 percent of taxable lobbying expenditures	10	1
Windfall profits, total, 27.5 percent to 70 percent of windfall profit ⁴⁹	16,930,548	22,035,927
Quarterly return amounts	16,925,888	21,989,980
Annual return amounts	4,560	45,947
Environmental taxes, total ⁵⁰	81,284	252,903
Petroleum, 0.79 cent a barrel	10,878	38,952
Chemicals, 22 cents to \$4.87 per ton	50,386	213,951
Other ⁵¹	385	54
Unclassified excise taxes ⁵²	5,697,884*	-3,044,655

Table 3—Internal revenue collections by principal sources
(In thousands of dollars)

Fiscal year	Income and profits taxes									
	Total internal revenue collections	Total	Corporation income and profits taxes ¹	Individual income taxes ^{1, 2, 3}	Employment taxes ⁴	Estate and gift taxes ⁵	Alcohol taxes ⁶	Tobacco taxes ⁷	Manufacturers' excise taxes	All other taxes ⁸
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
1948	40,872,097	31,258,138	12,553,602	18,704,536	1,700,828	876,932	2,526,165	1,165,519	922,671	2,421,944
1947	39,108,386	29,018,756	8,878,458	19,343,297	1,700,828	779,291	2,474,762	1,227,768	1,425,260	2,147,164
1946	41,854,542	31,172,191	10,174,410	20,997,781	2,381,342	699,345	2,255,327	1,300,280	1,649,234	2,206,823
1945	40,483,125	29,605,491	11,553,688	18,051,822	2,476,113	786,538	2,210,807	1,321,875	1,771,533	2,280,989
1944	38,957,132	28,007,659	10,854,351	17,153,308	2,644,575	706,227	2,219,202	1,328,464	1,938,995	2,214,951
1951	50,445,888	37,394,879	14,387,568	22,997,309	3,627,479	729,730	2,548,808	1,380,396	2,383,677	2,932,710
1952	65,039,586	50,741,017	21,468,910	29,272,107	4,464,264	833,147	2,549,120	1,565,162	2,348,943	2,507,933
1953	69,886,535	54,130,732	21,594,515	32,538,217	4,718,403	891,294	2,780,925	1,854,911	2,882,788	2,647,492
1954	69,918,991	54,360,014	21,548,322	32,811,691	5,107,523	935,121	2,783,012	1,580,229	2,893,133	2,464,859
1955	66,398,692	49,914,809	18,254,720	31,660,106	6,219,665	936,267	2,742,840	1,571,213	2,885,016	2,018,866
1956	75,112,648	58,636,164	21,298,522	37,337,642	7,295,764	1,171,237	2,920,574	1,613,497	3,456,013	2,019,380
1957	80,171,971	60,560,425	21,530,653	39,029,772	7,580,522	1,377,999	2,873,195	1,674,050	3,761,925	2,243,856
1958	78,978,476	59,101,874	20,553,318	38,548,556	8,644,306	1,410,025	2,948,461	1,734,021	3,874,135	2,166,875
1959	78,787,073	58,826,254	18,091,509	40,734,744	8,853,744	1,352,882	3,002,096	1,806,816	3,958,789	1,987,282
1960	91,774,803	67,125,126	22,178,414	44,945,711	11,158,589	1,626,348	3,193,714	1,931,504	4,735,129	2,004,394
1961	84,401,086	67,917,941	21,784,840	46,133,001	12,502,451	1,916,392	3,212,801	1,991,117	4,896,802	1,963,582
1962	89,440,839	71,845,305	21,295,711	50,549,594	12,708,171	2,035,187	3,341,282	2,325,766	5,120,340	2,044,817
1963	105,825,395	78,323,714	22,536,134	52,987,581	15,004,486	2,187,457	3,441,656	2,079,237	5,610,309	2,278,536
1964	112,260,257	78,881,218	24,300,863	54,580,354	17,002,504	2,416,303	3,577,499	2,052,545	6,020,543	2,289,645
1965	114,434,634	79,792,016	25,151,354	53,640,663	17,104,306	2,745,532	3,772,034	2,148,594	6,415,145	2,453,406
1966	126,979,961	92,131,794	30,804,243	61,297,552	20,256,132	3,093,822	3,814,378	2,073,956	5,813,869	1,895,909
1967	148,374,815	104,208,420	34,917,825	69,370,595	26,958,241	3,014,406	4,075,722	2,078,869	5,478,347	2,479,809
1968	153,636,838	108,148,565	29,896,520	78,252,045	28,085,896	3,081,979	4,287,237	2,122,777	5,713,973	2,196,909
1969	187,919,580	135,778,052	38,537,645	97,240,406	33,068,657	3,230,065	4,555,580	2,137,585	6,501,146	2,346,465
1970	195,772,096	139,888,568	35,026,983	105,651,585	37,449,188	3,680,676	4,748,382	2,094,212	6,883,061	2,386,509
1971	191,847,198	131,072,374	30,319,953	100,752,421	39,818,690	3,784,283	4,800,482	2,206,585	6,684,799	3,179,985
1972	209,855,737	143,804,732	34,925,546	108,879,186	43,714,001	4,469,969	5,110,001	2,207,273	5,728,657	3,801,104
1973	237,787,204	164,157,315	39,945,209	125,112,006	52,881,709	4,975,862	5,149,513	2,278,951	5,395,750	3,750,104
1974	256,952,254	184,640,094	41,744,444	142,895,650	62,093,632	5,100,675	5,358,477	2,437,005	5,742,154	3,572,217
1975	293,822,726	202,148,097	45,746,660	156,399,437	70,140,809	4,088,079	5,350,858	2,315,990	5,516,611	3,686,182
1976	302,519,782	205,751,753	46,782,958	158,968,797	74,202,853	5,307,466	5,427,722	2,487,894	5,486,106	3,855,998
1976 (TQ)	75,482,780	49,587,484	8,808,905	39,788,579	19,892,041	1,485,247	1,928,841	822,821	1,543,336	1,046,007
1977	358,139,417	245,805,967	80,649,304	186,755,263	86,076,316	7,425,325	5,406,833	2,398,501	6,068,682	3,958,893
1978	399,778,389	278,438,289	65,380,145	213,058,144	97,291,653	5,391,499	5,612,715	2,450,913	6,555,881	4,046,639
1979	480,412,185	322,993,733	71,447,876	251,545,857	112,849,874	5,519,074	5,647,924	2,655,517	7,057,612	3,848,450
1980	519,775,273	358,927,392	72,738,810	287,187,782	128,330,460	6,498,381	5,704,768	2,446,416	6,497,421	3,980,416
1981	606,799,103	408,583,302	73,733,158	332,850,145	152,885,616	6,910,366	5,698,413	2,583,857	6,988,156 ⁹	26,058,173 ⁹
1982	632,240,506	418,599,768	65,990,832	352,608,936	168,717,936	8,143,373	5,459,810	2,529,495	6,382,900	22,397,223

¹ Transition quarter.

Footnotes for Tables 1-3

¹ Less than \$500.
² Revised.

Note: Detail may not add to totals due to rounding. State and district data for 1982 are not directly comparable with years prior to 1981. For the most part, beginning with 1981, amounts are classified by state and district based on where taxpayers reside rather than, as for 1980 and prior, where taxpayers made payments.

1. The receipts in the various states do not indicate the federal tax burden of each since in many instances taxes are collected in one state from residents of another state. For example, withholding taxes reported by employers located near state lines may include substantial amounts withheld from salaries of employees who reside in neighboring states. Also, the taxes of some corporations are paid from a principal office, although their operations may be located in another state or throughout several states.

2. Includes taxes on unrelated business income of exempt organizations.

3. Collections of individual income tax not withheld include: death, survivors', disability and hospital insurance taxes on 981-employment income (SECA). Similarly, the collections of individual income tax withheld are reported in combined amounts with: death, survivors', disability and hospital insurance taxes (FICA) on salaries and wages. Estimated separate national totals for individual income tax and for employment taxes are shown in the text table. Gross internal revenue collections, on page 8 and are used in obtaining national totals for individual income taxes and for employment taxes in table 3.

4. Self-employment tax and taxes imposed by the Federal Insurance Contributions Act are applicable with respect to Guam and American Samoa. Amounts of such taxes collected in Guam and American Samoa are combined with similar taxes reported for "Foreign Operations District—Other."

5. Includes fiduciary income tax collections of \$2.6 billion.

6. The Foreign Operations District was established in 1982, replacing the Office of International Operations.

7. The Houston District was established in 1981 to cover certain counties formerly part of the Austin District.

8. Tax payments made to banks under the federal tax deposit (FTD) system are included in the internal revenue collections for the period in which the FTD is purchased. However, such payments are not classified by internal revenue districts (nor by tax subclasses to which excise tax payments relate) until the IRS applies them to taxpayers' liabilities.

9. Represents credits allowable on income tax returns for certain gasoline and lubricating oil tax payments and for excess payments under the Federal Insurance Contribution Act (FICA).

10. Designations by taxpayers of a portion of their taxes to the presidential election campaign fund are not collections as such because they do not affect taxpayer liability. Transfers of amounts to this fund are made on a rational basis only and therefore have no effect on district and regional collection data.

11. Represents amounts offset against outstanding tax liabilities other than those for Forms 1040 and 1040A on which the credits are claimed.

12. Includes amounts contained in the national totals but not classified by state or district as of Sept. 30, 1982. Also includes amounts transferred to a special account for the Northern Mariana Islands and adjustments made by the Department of the Treasury to individual income tax withheld and FICA and to unemployment insurance taxes.

13. Amounts of internal revenue taxes collected on Puerto Rican products transported to the United States or consumed on the island (less refunds, drawbacks and expenses) are returned to the Treasury of Puerto Rico under provisions of sections 7652(a)(3) and 5314(e)(4) of the Internal Revenue Code of 1954. The gross amounts are included in overall collection results (tables 1-3).

14. Refer to table 2 for components.

15. Detail does not add to total because total includes amounts of miscellaneous collections not shown separately.

16. Includes manufacturers' excise taxes on pistols and revolvers, fishing rods, bows and arrows, firearms and shells and cartridges.

17. Contains, among other items, amounts paid into depositories but not yet classified into excise detail from Forms 720, Quarterly Federal Excise Tax Returns, filed. Generally, Forms 720 are filed and type of excise tax identified and reported in the quarter following the quarter of payment into a depository. The data shown primarily reflect windfall profit tax amounts. Negative figures result from the classification of amounts previously reported as unclassified.

18. For tax years beginning after 1978, the Revenue Act of 1978 (Public Law 95-600) replaced the old corporate system of normal tax, surtax and surtax exemption with a new rate structure graduated from 17 to 46 percent of taxable income. The lowest rate was reduced to 16 percent for tax years beginning in 1982 by the Economic Recovery Tax Act of 1981 (Public Law 97-34).

19. Individual income tax rates: effective Jan. 1, 1965, graduated rates from 14 to 70 percent of taxable income. A 10-percent per annum surcharge added for individuals by Public Law 90-364, effective April 1, 1968, was extended to Dec. 31, 1969, at the same annual rate (Public Law 91-553), extended to June 30, 1970 (Public Law 91-171) at a 5-percent annual rate and then discontinued. The Economic Recovery Tax Act of 1981 reduced the range of rates from 12 to 50 percent, effective for taxable years beginning in 1982. Includes SECA taxes of 9.3 percent on net earnings up to \$29,700 for 1981, and of 9.35 percent up to \$32,400 for 1982.

20. Rates of tax are as follows: income tax graduated withholding from 15 to 38 percent on wages in excess of exemptions, effective Jan. 1, 1975, under Public Law 95-600. The Economic Recovery Tax Act of 1981 reduced the rates to 15 to 37 percent, effective Oct. 1, 1981, and the lowest rate to 16 to 37 percent, effective July 1, 1982. A combined FICA tax rate of 13.3 percent was in effect on salaries and wages up to \$26,700 for calendar year 1981 and of 13.4 percent up to \$32,400 for 1982.

21. Railroad retirement taxes are divided into two tiers for both employers and employees. The tier I tax rate for 1981 was 6.65 percent each on the first \$2,475 of monthly compensation and 6.7 percent on the first \$2,700 for 1982. Tier II taxes for employees were increased from 9.5 percent to 11.75 percent and established for employees at 2 percent, effective Oct. 1, 1981, on the first \$1,850 of monthly compensation for 1981 and \$2,025 for 1982.

22. Employers of one or more persons in each of 20 calendar weeks or who paid wages of \$1,500 or more in any calendar quarter taxed 3.4 percent on taxable portion of wages up to \$8,000. This tax is reduced by credits for unemployment contributions paid to states up to 2.7 percent of FUTA tax.

23. Prior to Jan. 1, 1977, estate tax rates were graduated from 3 percent on the first \$5,000 of net estate in excess of a \$60,000 exemption to 77 percent on portion over \$10 million; gift taxes were three-fourths of the estate tax schedule for corresponding brackets with a \$30,000 exemption subject to a \$3,000 annual exclusion for each donee. Beginning Jan. 1, 1977, the separate rates for estates and gifts were replaced by unified rates of tax graduated from 18 to 70 percent. The separate exemption amounts were replaced by a unified credit of \$47,000 to be phased in over a five-year period ending in 1981. The Economic Recovery Tax Act of 1981 raised the credit to \$192,800 to be phased in over a five-year period (52,800 credit for 1982). Also, the Act raised the annual gift tax exclusion from \$3,000 to \$10,000, effective Jan. 1, 1982, and provided for annual rather than quarterly returns and payments.

24. Repealed effective Jan. 1, 1980 (Public Law 96-39).

25. FY 1982 amount contains adjustment of -\$8,537,000 to correct data for FY 1981.

26. FY 1982 amount contains adjustment of -\$8,659,000 to correct data for FY 1981.

27. Rates increased from 50 cents and 2 percent on underground mined coal and 25 cents and 2 percent on surface mined coal, effective Jan. 1, 1982 (Public Law 97-119).

28. The previously reported FY 1980 figure has been revised to \$324,000.

29. Includes amount collected or adjusted for taxes that have been repealed or have expired.

30. Expired Sept. 30, 1980.

31. Tax increased from 4 to 6 per gallon, effective Oct. 1, 1981 (Public Law 95-502).

32. Rate reduced from 2 to 1 percent, effective Jan. 1, 1982 (Public Law 97-34).

33. Rate reduced from 8 to 5 percent, effective Oct. 1, 1980.

34. Repealed effective June 30, 1980, by the Revenue Act of 1978 (Public Law 95-600).

35. Transfers of machine guns, short-barreled firearms, silencers, etc. \$200 each; certain guns with combination shotgun and rifle barrels and other special types of firearms, \$5 each. Occupational taxes are levied on manufacturers, importers or dealers in firearms and are included in the amounts shown.

36. Lowest rate reduced from 30 to 27.5 percent, effective Jan. 1, 1982 (Public Law 97-34). Windfall profit tax amounts shown in these tables are incomplete because they reflect only amounts from returns processed by the end of the reporting period. For comprehensive detail on windfall profit taxes, refer to the SOI Bulletin (IRS Publication 1136), which is published quarterly.

37. Rates of tax are as follows: income tax graduated withholding from 15 to 38 percent on wages in excess of exemptions, effective Jan. 1, 1975, under Public Law 95-600. The Economic Recovery Tax Act of 1981 reduced the rates to 15 to 37 percent, effective Oct. 1, 1981, and the lowest rate to 16 to 37 percent, effective July 1, 1982. A combined FICA tax rate of 13.3 percent was in effect on salaries and wages up to \$26,700 for calendar year 1981 and of 13.4 percent up to \$32,400 for 1982.

Table 4.—Amount of Internal revenue refunds including interest
(In thousands of dollars)

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total	Corporation income	Individual income	Employment taxes ¹	Estate	Gift	Excise
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total ²	78,201,750	17,974,112	55,101,831 ³	1,578,178	173,914	6,926	368,788 ⁴
North-Atlantic Region	10,456,843	3,479,814	6,785,800	168,403	24,488	551	17,768
Albany (See (c) below)	794,389	381,934	423,261	7,658	238	91	206
Albany (Maine)	250,163	29,856	216,120	3,636	405	14	143
Boston (Massachusetts)	1,848,273	549,363	1,270,899	24,789	3,565	54	832
Brooklyn (See (c) below)	1,751,196	252,298	1,485,882	25,928	5,180	44	6,875
Buffalo (See (c) below)	1,850,617	132,705	1,014,487	10,361	1,817	76	1,172
Burlington (Vermont)	109,886	17,494	90,628	1,544	108	—	52
Hartford (Connecticut)	4,377,913	1,037,275	3,339,638	43,073	4,320	—	3,787
Manhattan (See (c) below)	2,922,401	1,535,882	1,030,076	44,757	6,903	301	1,119
Portsmouth (New Hampshire)	264,912	51,946	209,178	3,300	365	5	110
Providence (Rhode Island)	1,717,163	297,760	1,419,403	12,247	87	8	1,126
Mid-Atlantic Region	10,496,898	2,642,541	7,810,531	188,072	27,058	1,290	47,408
Baltimore (Maryland & D.C.)	2,054,365	610,951	1,393,444	31,405	12,033	23	2,623
Foreign Operations	365,893	70,660	297,760	1,741	1,893	60	1,753
Other	55,503	652	46,382	5,068	50	345	408
Newark (New Jersey)	3,238,390	70,014	2,488,378	6,873	1,843	179	21,459
Philadelphia (See (b) below)	2,628,220	587,659	1,956,844	54,615	6,955	10	12,840
Pittsburgh (See (e) below)	2,022,864	372,270	1,583,938	31,353	2,396	68	4,459
Richmond (Virginia)	1,465,387	417,162	1,029,666	13,933	2,358	809	1,439
Wilmington (Delaware)	1,449,825	218,468	1,223,329	22,468	2,018	129	3,183
Southeast Region	8,780,895	1,571,098	6,871,755	193,407	17,145	1,391	28,600
Atlanta (Georgia)	1,520,844	324,119	2,049,699	1,963	1,927	32	4,144
Birmingham (Alabama)	897,274	154,891	737,217	12,305	1,213	39	1,410
Columbia (South Carolina)	697,828	116,871	570,470	8,898	589	781	83
Greensboro (North Carolina)	1,257,225	207,246	1,027,784	17,466	1,646	83	2,999
Jackson (Mississippi)	478,553	65,303	406,653	5,555	583	29	259
Jacksonville (Florida)	2,728,212	531,704	2,131,616	51,368	9,535	180	3,809
Nashville (Tennessee)	1,161,659	170,364	933,926	77,516	1,349	670	8,037
Richmond (Virginia)	1,222,675	112,510	1,110,165	17,470	1,743	300	35,800
Cincinnati (See (d) below)	1,395,915	281,245	1,091,451	17,147	1,896	32	4,144
Cleveland (See (d) below)	2,083,165	486,303	1,553,333	30,545	3,311	117	4,355
Detroit (Michigan)	3,470,066	960,475	2,440,427	30,865	2,586	42	16,871
Indianapolis (Indiana)	1,509,523	204,030	1,279,899	17,124	3,390	63	5,385
Louisville (Kentucky)	848,513	120,229	702,344	1,134	1,549	13	334
Petersburg (West Virginia)	446,859	50,593	390,777	4,925	426	3	47,076
Midwest Region	8,830,886	1,721,854	7,121,854	176,635	20,410	1,099	47,076
Abbeville (South Dakota)	136,846	1,422,388	2,351,190	98,015	8,923	728	27,599
Chicago (See (b) below)	3,828,844	1,148,382	2,679,462	6,427	2,148	32	9,922
Des Moines (Iowa)	899,041	118,133	773,908	1,974	232	1	375
Fargo (North Dakota)	169,129	30,986	132,590	1,974	232	1	294
Minneapolis (Minnesota)	1,257,413	240,283	1,024,460	17,839	2,011	26	2,984
Omaha (Nebraska)	435,507	109,432	320,567	4,018	812	4	474
St. Louis (Missouri)	1,425,476	388,130	1,001,177	22,916	2,113	162	10,888
St. Paul (Minnesota)	1,247,927	314,918	914,122	14,709	1,733	117	2,338
Springfield (See (b) below)	803,573	105,275	686,162	8,620	299	3	1,415
Southeast Region	10,774,056	2,841,037	7,859,837	178,952	20,931	1,588	51,801
Albuquerque (New Mexico)	320,227	36,557	277,155	1,472	172	425	10,868
Austin (See (f) below)	2,159,157	993,865	1,106,690	38,034	4,588	112	10,868
Cheyenne (Wyoming)	185,715	23,935	157,745	3,955	308	1471	1,471
Dallas (See (f) below)	2,207,906	525,896	1,619,936	43,553	9,792	111	6,818
Denver (Colorado)	1,035,103	162,888	839,910	16,208	2,267	993	8,857
Houston (See (f) below)	1,303,559	142,917	1,148,645	14,861	1,965	14	3,237
Little Rock (Arkansas)	585,702	65,676	519,297	5,343	534	13	537
New Orleans (Louisiana)	1,264,313	233,207	997,189	22,366	5,400	57	6,084
Oklahoma City (Oklahoma)	1,101,796	203,745	899,884	18,885	2,514	201	2,467
Wichita (Kansas)	712,578	111,769	544,376	9,072	1,944	20	5,397
Western Region	14,878,920	3,295,010	11,279,710	243,395	42,141	707	18,049
Anchorage (Alaska)	225,297	15,793	184,560	4,552	346	4	88
Boise (Idaho)	236,701	39,544	193,277	3,251	539	2	215
Helena (Montana)	209,509	26,387	176,022	1,458	1,871	17	215
Honolulu (Hawaii)	306,655	48,701	251,566	5,164	1,090	48	95
Los Angeles (See (a) below)	5,845,428	1,306,269	4,418,765	92,842	17,732	384	6,437
Phoenix (Arizona)	850,718	142,171	696,187	10,484	1,862	36	278
Portland (Oregon)	1,119,868	203,424	899,210	12,422	1,524	2	1,222
Reno (Nevada)	351,837	80,931	259,585	10,253	810	1	58
Salt Lake City (Utah)	421,130	70,860	343,962	5,711	325	26	245
San Francisco (See (a) below)	3,730,428	702,248	2,939,559	77,462	13,990	164	5,008
Seattle (Washington)	1,583,989	456,640	1,114,938	18,706	2,262	20	1,222
Other miscellaneous refunds	228,832	-263,054	31,329	337,895	0	0	122,862
Gasoline, lubricating oil and excess FICA credits ⁵	458,761	0	0	0	0	0	1,796
Bureau of Customs	1,796	0	0	0	0	0	0
Earned income credits offsets ⁶	25,315	0	25,315	0	0	0	0
Refunds reversal unclassified ⁷	-257,040	-263,054	6,014	0	0	0	0
Totals for states not shown above							
(a) California	9,583,857	2,008,514	7,358,325	170,304	31,722	548	14,444
(b) Illinois	4,432,417	1,247,863	3,037,352	106,635	11,021	731	29,014
(c) New York	6,333,532	3,032,816	3,310,807	88,805	14,848	522	12,737
(d) Ohio	3,479,080	767,549	2,644,884	52,692	5,207	149	8,499
(e) Pennsylvania	3,468,253	789,433	2,613,605	45,286	4,754	877	14,286
(f) Texas	5,870,625	1,062,977	3,869,074	98,248	16,365	296	25,663

¹ Includes withheld income tax, FICA, railroad retirement and FUTA refunds and credits.
² Amounts may not add due to rounding.
³ Includes earned income credits refunded, amounting to \$1.2 billion.
⁴ Includes credits for gasoline and lubricating oil tax payments.
⁵ Includes credits for excess payments under the federal old age and survivors', federal disability and federal hospital plan, amounting to \$338 million.
⁶ Includes refunds issued in September 1982 minus refund reversals received in September 1982 that were not classified by district before Sept. 30, 1982 (the end of the fiscal year). For accounting and comparative purposes, the data included in this table may agree with the actual transactions affecting the refund and interest appropriation accounts for the fiscal year.
⁷ Includes refunds of special fund receipts (Puerto Rico account 20x5737), amounting to \$183,000.
⁸ Less than \$500.

Table 5.—Number of Internal revenue refunds issued

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total	Corporation income	Individual income	Employment taxes	Estate	Gift	Excise
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
United States, total	74,495,524	743,288	71,647,291	2,002,254	21,713	1,288	79,890
North-Atlantic Region	9,850,951	88,821	9,810,088	462,950	2,154	177	7,061
Albany (See (c) below)	640,078	4,860	621,640	12,873	1,855	13	517
Albany (Maine)	386,235	1,701	356,347	7,632	1,066	6	467
Boston (Massachusetts)	1,840,327	19,435	1,879,908	39,340	482	32	1,132
Brooklyn (See (c) below)	2,031,210	11,478	1,974,197	43,565	587	21	1,381
Buffalo (See (c) below)	1,424,057	11,824	1,385,542	25,941	966	28	1,554
Burlington (Vermont)	162,423	2,004	155,439	4,788	367	1	155
Hartford (Connecticut)	4,398,304	10,038	4,388,266	257,158	467	16	943
Manhattan (See (c) below)	2,922,401	17,250	2,905,338	58,588	681	51	1,535
Portsmouth (New Hampshire)	268,615	3,532	263,254	7,487	70	4	238
Providence (Rhode Island)	1,717,163	31,272	1,685,891	34,565	60	2	236
Mid-Atlantic Region	10,278,714	81,386	10,138,855	243,017	2,650	157	10,319
Baltimore (Maryland & D.C.)	1,813,205	14,775	1,755,810	40,290	542	25	1,763
Foreign Operations	206,743	1,404	199,240	14,339	165	4	582
Other	49,898	78	37,396	1,247	7	1	289
Newark (New Jersey)	1,584,845	1,326	1,553,053	1,992	158	3	313
Philadelphia (See (b) below)	2,741,319	21,876	2,653,280	62,629	680	45	2,619
Pittsburgh (See (e) below)	1,438,361	9,529	1,378,003	30,556	221	31	1,481
Richmond (Virginia)	1,750,716	14,336	1,696,357	31,314	338	25	1,321
Wilmington (Delaware)	204,419	2,964	198,552	5,156	295	5	295
Southeast Region	11,078,921	90,566	10,705,568	259,240	2,580	214	11,655
Atlanta (Georgia)	1,763,389	15,466	1,708,638	39,081	281	21	1,927
Birmingham (Alabama)	897,274	154,891	737,217	12,305	1,213	39	1,410
Columbia (South Carolina)	697,828	116,871	570,470	8,898	589	781	83
Greensboro (North Carolina)	1,257,225	207,246	1,027,784	17,466	1,646	83	2,999
Jackson (Mississippi)	478,553	65,303	406,653	5,555	583	29	259
Jacksonville (Florida)	2,728,212	531,704	2,131,616	51,368	9,535	180	3,809
Nashville (Tennessee)	1,161,659	170,364	933,926	77,516	1,349	670	8,037
Richmond (Virginia)	1,222,675	112,510	1,110,165	17,470	1,743	300	35,800
Cincinnati (See (d) below)	1,395,915	281,245	1,091,451	17,147	1,896	32	4,144
Cleveland (See (d) below)	2,083,165	486,303	1,553,333	30,545	3,311	117	4,35

Table 6.—Number of returns filed by internal revenue regions and districts, states and other areas

Internal revenue regions and districts, states and other areas. (States represented by single districts indicated in parentheses; totals for other states shown at bottom of table.)	Total tax returns (1)	Individual income tax (2)	Estimated tax (3)	Fiduciary (4)	Partnership (5)	Corporation income tax (6)	Estate tax (7)
United States, total	170,289,266	95,481,537	31,862,912	1,963,621	1,561,267	2,950,279	134,965
North-Atlantic Region	23,279,899	12,687,083	4,624,016	358,158	163,143	498,300	18,988
Albany	1,456,385	847,918	287,616	11,215	3,947	24,468	1,121
Albany (See (c) below)	1,456,385	847,918	287,616	11,215	3,947	24,468	1,121
Augusta	4,490,104	2,541,648	886,314	93,365	22,198	84,724	3,032
Augusta (Maine)	4,490,104	2,541,648	886,314	93,365	22,198	84,724	3,032
Boston	4,908,684	2,777,988	1,019,344	24,128	31,178	112,115	3,560
Boston (See (c) below)	4,908,684	2,777,988	1,019,344	24,128	31,178	112,115	3,560
Buffalo	411,288	209,727	81,886	4,896	3,084	13,206	284
Buffalo (See (c) below)	411,288	209,727	81,886	4,896	3,084	13,206	284
Brighton	2,898,189	1,439,734	590,896	21,696	11,430	37,876	2,476
Brighton (Vermont)	2,898,189	1,439,734	590,896	21,696	11,430	37,876	2,476
Hartford	741,019	414,581	142,021	7,347	4,493	12,760	512
Hartford (See (c) below)	741,019	414,581	142,021	7,347	4,493	12,760	512
Manhattan	713,336	404,958	128,230	44,624	21,696	49,115	1,612
Manhattan (Rhode Island)	713,336	404,958	128,230	44,624	21,696	49,115	1,612
Providence	23,264,032	12,114,487	4,438,432	278,239	175,907	392,271	16,512
Providence (New Hampshire)	23,264,032	12,114,487	4,438,432	278,239	175,907	392,271	16,512
Mid-Atlantic Region	3,776,491	2,221,476	673,306	39,374	31,065	61,225	2,787
Baltimore	769,540	320,447	105,827	934	1,392	3,196	420
Foreign Operations	309,669	83,639	49,450	101	1	825	392
Puerto Rico	459,851	236,808	107,377	833	1,251	4,371	1,392
Other	6,121,794	3,494,935	1,163,937	54,560	48,742	147,644	7,444
Newark (New Jersey)	6,121,794	3,494,935	1,163,937	54,560	48,742	147,644	7,444
Philadelphia (See (e) below)	3,096,947	1,831,536	614,739	41,486	23,896	32,613	1,720
Philadelphia (See (e) below)	3,096,947	1,831,536	614,739	41,486	23,896	32,613	1,720
Richmond	3,823,627	2,263,228	655,099	33,793	28,694	58,844	2,752
Richmond (Virginia)	3,823,627	2,263,228	655,099	33,793	28,694	58,844	2,752
Wilmington	24,937,936	14,217,923	4,402,271	207,581	180,680	447,755	16,982
Wilmington (Delaware)	24,937,936	14,217,923	4,402,271	207,581	180,680	447,755	16,982
Southeast Region	3,597,119	2,155,577	469,628	26,241	16,095	32,445	1,784
Atlanta	2,276,488	1,420,142	301,132	17,827	16,095	32,445	1,784
Atlanta (Georgia)	2,276,488	1,420,142	301,132	17,827	16,095	32,445	1,784
Birmingham	1,955,606	1,207,692	265,345	11,131	13,725	30,671	1,206
Birmingham (Alabama)	1,955,606	1,207,692	265,345	11,131	13,725	30,671	1,206
Columbia	3,982,091	2,381,846	623,147	27,841	20,679	60,654	2,386
Columbia (South Carolina)	3,982,091	2,381,846	623,147	27,841	20,679	60,654	2,386
Greensboro	1,452,256	871,420	189,815	7,165	11,629	21,186	689
Greensboro (North Carolina)	1,452,256	871,420	189,815	7,165	11,629	21,186	689
Jackson	8,753,403	4,390,720	1,216,109	96,173	58,432	196,539	2,985
Jackson (Mississippi)	8,753,403	4,390,720	1,216,109	96,173	58,432	196,539	2,985
Jacksonville	2,922,963	1,780,526	426,185	21,293	17,847	27,884	1,859
Jacksonville (Florida)	2,922,963	1,780,526	426,185	21,293	17,847	27,884	1,859
Nashville	20,749,184	12,287,838	3,238,645	208,016	116,018	317,287	14,287
Nashville (Tennessee)	20,749,184	12,287,838	3,238,645	208,016	116,018	317,287	14,287
Central Region	3,169,559	1,878,509	578,588	36,881	24,883	42,491	2,291
Cincinnati	4,430,689	2,591,309	833,055	51,089	31,122	69,028	3,330
Cincinnati (See (d) below)	4,430,689	2,591,309	833,055	51,089	31,122	69,028	3,330
Cleveland	6,218,694	3,593,912	1,231,184	73,038	50,679	96,028	3,355
Cleveland (See (e) below)	6,218,694	3,593,912	1,231,184	73,038	50,679	96,028	3,355
Detroit	3,729,079	2,200,945	702,728	44,849	23,430	59,525	3,041
Detroit (Michigan)	3,729,079	2,200,945	702,728	44,849	23,430	59,525	3,041
Indianapolis	2,238,751	1,313,639	391,530	20,700	20,292	32,820	1,401
Indianapolis (Indiana)	2,238,751	1,313,639	391,530	20,700	20,292	32,820	1,401
Louisville	1,732,200	1,065,698	306,228	10,128	9,500	17,084	619
Louisville (Kentucky)	1,732,200	1,065,698	306,228	10,128	9,500	17,084	619
Parkersburg	21,489,036	12,919,755	4,824,475	340,896	211,802	399,858	26,507
Parkersburg (West Virginia)	21,489,036	12,919,755	4,824,475	340,896	211,802	399,858	26,507
Midwest Region	538,154	278,015	109,499	5,006	5,800	8,086	726
Chicago	11,804,278	6,109,496	2,114,969	110,496	58,258	110,496	4,123
Chicago (See (d) below)	11,804,278	6,109,496	2,114,969	110,496	58,258	110,496	4,123
Chicago (See (d) below)	11,804,278	6,109,496	2,114,969	110,496	58,258	110,496	4,123
Des Moines	2,292,483	1,178,936	524,742	37,020	29,172	39,729	917
Des Moines (Iowa)	2,292,483	1,178,936	524,742	37,020	29,172	39,729	917
Fargo	542,562	277,524	110,483	5,686	8,811	11,811	811
Fargo (North Dakota)	542,562	277,524	110,483	5,686	8,811	11,811	811
Mankato	1,280,499	664,520	268,223	15,070	13,612	24,562	2,114
Mankato (Wisconsin)	1,280,499	664,520	268,223	15,070	13,612	24,562	2,114
Omaha	3,624,470	1,980,245	707,184	48,871	27,199	60,573	3,014
Omaha (Nebraska)	3,624,470	1,980,245	707,184	48,871	27,199	60,573	3,014
St. Paul	3,140,250	1,741,055	593,944	32,800	30,624	55,454	3,210
St. Paul (Minnesota)	3,140,250	1,741,055	593,944	32,800	30,624	55,454	3,210
Springfield	2,242,458	1,237,031	497,707	29,100	18,225	24,958	3,424
Springfield (See (d) below)	2,242,458	1,237,031	497,707	29,100	18,225	24,958	3,424
Southeast Region	23,283,485	13,013,818	3,716,981	207,281	264,874	405,707	18,193
Albuquerque	9,157,745	538,496	137,130	8,310	9,557	14,267	495
Albuquerque (New Mexico)	9,157,745	538,496	137,130	8,310	9,557	14,267	495
Austin	4,917,650	1,947,873	498,648	31,966	37,533	57,617	2,554
Austin (See (f) below)	4,917,650	1,947,873	498,648	31,966	37,533	57,617	2,554
Cheyenne	418,072	217,452	89,672	1,134	5,613	6,114	159
Cheyenne (Wyoming)	418,072	217,452	89,672	1,134	5,613	6,114	159
Dallas	4,753,288	2,596,942	753,474	59,894	66,433	80,440	2,899
Dallas (See (f) below)	4,753,288	2,596,942	753,474	59,894	66,433	80,440	2,899
Dallas (See (f) below)	4,753,288	2,596,942	753,474	59,894	66,433	80,440	2,899
Denver	2,706,648	1,848,511	559,241	26,021	37,113	50,151	1,877
Denver (See (f) below)	2,706,648	1,848,511	559,241	26,021	37,113	50,151	1,877
Houston	1,463,490	821,760	254,305	11,242	12,244	23,770	886
Houston (See (f) below)	1,463,490	821,760	254,305	11,242	12,244	23,770	886
Little Rock	2,798,117	1,632,579	418,176	12,950	18,746	57,621	1,311
Little Rock (Arkansas)	2,798,117	1,632,579	418,176	12,950	18,746	57,621	1,311
New Orleans	2,338,025	1,265,213	398,894	20,146	28,465	40,554	1,895
New Orleans (Louisiana)	2,338,025	1,265,213	398,894	20,146	28,465	40,554	1,895
Oklahoma City	1,918,844	1,005,411	390,215	23,578	17,421	31,328	2,485
Oklahoma City (Oklahoma)	1,918,844	1,005,411	390,215	23,578	17,421	31,328	2,485
Wichita	31,268,694	16,880,605	6,114,902	334,881	409,945	593,917	25,604
Wichita (Kansas)	31,268,694	16,880,605	6,114,902	334,881	409,945	593,917	25,604
Western Region	342,355	200,638	29,672	1,134	5,613	6,114	159
Anchorage	668,416	361,435	118,818	4,760	9,396	12,212	487
Anchorage (Alaska)	668,416	361,435	118,818	4,760	9,396	12,212	487
Bose	670,853	334,757	125,826	5,558	8,349	12,711	651
Bose (Idaho)	670,853	334,757	125,826	5,558	8,349	12,711	651
Honolulu	773,118	438,875	126,600	8,072	6,335	17,711	639
Honolulu (Hawaii)	773,118	438,875	126,600	8,072	6,335	17,711	639
Los Angeles	11,443,151	6,308,085	2,220,060	141,120	157,804	199,698	1,575
Los Angeles (See (a) below)	11,443,151	6,308,085	2,220,060	141,120	157,804	199,698	1,575
Phoenix	2,174,185	1,114,229	483,225	18,451	25,572	36,868	1,707
Phoenix (Arizona)	2,174,185	1,114,229	483,225	18,451	25,572	36,868	1,707
Portland	696,162	408,890	150,773	6,401	7,829	14,137	346
Portland (Oregon)	696,162	408,890	150,773	6,401	7,829	14,137	346
Reno	960,362	553,442	122,932	12,997	17,935	19,885	490
Reno (Nevada)	960,362	553,442	122,932	12,997	17,935	19,885	490
San Francisco	8,057,861	4,308,243	1,692,909	79,916	104,002	103,695	7,902
San Francisco (See (a) below)	8,057,861	4,308,243	1,69				

Table 7.—Returns filed, examination coverage and results (1982)

	Returns filed		Returns examined				Percent coverage
	CY 1981	Revenue agents	Tax auditors	Service centers	Total		
Individual, total	84,013,000	285,526	1,068,557	103,173	1,455,256	1.55	
1040A, TPI ¹ under \$10,000	26,520,000	8,567	80,875	3,909	93,451	.35	
Non-1040A, TPI under \$10,000	8,468,000	10,481	56,883	15,983	83,147	.98	
TPI \$10,000 under \$25,000, simple	21,189,000	8,275	100,103	11,670	120,048	.57	
TPI \$10,000 under \$25,000, complex	11,251,000	24,822	216,488	34,462	275,832	2.45	
TPI \$25,000 under \$50,000	17,668,000	46,604	441,433	24,059	512,096	2.90	
TPI \$50,000 and over	3,305,000	100,456	81,004	6,242	187,702	5.68	
Schedule C-TGR ¹ under \$25,000	1,831,000	10,108	18,934	1,706	30,748	1.68	
Schedule C-TGR \$25,000 under \$100,000	1,747,000	27,231	38,918	2,221	69,370	3.97	
Schedule C-TGR \$100,000 and over	921,000	34,926	18,355	1,403	54,684	5.94	
Schedule F-TGR under \$25,000	368,000	2,134	3,435	594	6,163	1.67	
Schedule F-TGR \$25,000 under \$100,000	528,000	4,658	6,067	581	11,326	2.15	
Schedule F-TGR \$100,000 and over	219,000	7,224	3,142	323	10,689	4.88	
Fiduciary	1,844,000	9,387	914	-	10,301	.53	
Partnerships	1,412,000	22,878	105	-	23,084	1.63	
Corporation, total ³	2,279,000	107,705	-	-	107,705	4.73	
Assets not reported	144,000	5,359	-	-	5,359	3.72	
Under \$100,000 ⁴	1,035,000	28,864	-	-	28,864	2.79	
\$100,000 under \$1 mil	870,000	39,024	-	-	39,024	4.49	
\$1 mil under \$10 mil	185,000	23,296	-	-	23,296	12.59	
\$10 mil under \$100 mil	30,000	7,158	-	-	7,158	23.86	
\$100 mil and over	6,000	4,004	-	-	4,004	66.73	
Small business corps.	547,000	6,728	-	-	6,728	1.60	
Form 1120 DISC	7,000	1,396	-	-	1,396	19.94	
Estate, total	146,000	24,344	143	-	24,487	16.77	
Gross estate under \$1 mil	139,000	18,863	137	-	19,000	13.67	
Gross estate \$1 mil and over	8,000	5,481	6	-	5,487	68.59	
Gift	190,000	4,451	58	-	4,509	2.37	
Income, estate and gift, total	100,538,000	464,514	1,067,777	103,173	1,635,464	1.63	
Excise	970,000	57,396	2,792	-	60,188	6.20	
Employment	25,926,000	31,712	4,334	-	38,046	.14	
Windfall profit	4,000	507	-	-	507	12.68	
Miscellaneous	-	25	2	-	27	-	
Service center corrections	-	-	-	716,193	716,193	-	

Note: Total may not add due to rounding.

¹Total positive income.

²Total gross receipts.

³Includes 8,000 Forms 1120F not allocated to corporation classes.

⁴Balance sheet assets.

Table 7.—Continued

	Recommended additional tax and penalties (in millions of dollars)				Average tax and penalty per return			No-change, percent ¹	
	Revenue agents	Tax auditors	Service centers	Total	Revenue agents	Tax auditors	Service centers	Revenue agents	Tax auditors
	2,143	801	31	2,975	7,505	751	364	11	20
Individual, total									
70	44	1	115	8,156	543	200	10	16	
63	26	3	92	6,058	455	185	16	27	1040A, TPI ¹ under \$10,000 Non-1040A, TPI under \$10,000
21	58	3	82	2,520	579	248	13	19	TPI \$10,000 under \$25,000, simple TPI \$10,000 under \$25,000, complex TPI \$25,000 under \$50,000
68	120	10	188	2,731	555	231	12	17	
142	286	8	437	3,057	648	336	10	20	
1,089	139	3	1,230	10,841	1,705	468	9	29	TPI \$50,000 and over
41	17	1	59	4,042	895	451	15	21	Schedule C-TGR ¹ under \$25,000 Schedule C-TGR \$25,000 under \$100,000 Schedule C-TGR \$100,000 and over
123	54	1	178	4,526	1,362	427	12	21	
416	47	1	464	11,901	2,563	820	10	22	
4	2	-	6	1,397	596	223	13	28	Schedule F-TGR under \$25,000 Schedule F-TGR \$25,000 under \$100,000 Schedule F-TGR \$100,000 and over
18	5	-	23	3,891	757	303	10	24	
87	4	-	91	12,065	1,264	407	9	26	
38	-	-	38	4,043	279	-	21	6	Fiduciary
-	-	-	-	-	-	-	36	33	Partnerships
7,221	-	-	7,221	67,042	-	-	23	-	Corporation, total ¹
202	-	-	202	37,683	-	-	32	-	Assets not reported
71	-	-	71	2,465	-	-	31	-	Under \$100,000 ⁴
167	-	-	167	4,268	-	-	23	-	\$100,000 under \$1 mil
389	-	-	389	16,681	-	-	18	-	\$1 mil under \$10 mil
565	-	-	565	78,969	-	-	9	-	\$10 mil under \$100 mil
5,827	-	-	5,827	1,455,348	-	-	3	-	\$100 mil and over
42	-	-	42	4,803	-	-	37	-	Small business corps.
-	-	-	-	-	-	-	38	-	Form 1120 DISC
754	1	-	754	30,958	4,054	-	9	9	Estate, total
259	1	-	259	13,729	3,822	-	10	10	Gross estate under \$1 mil
495	-	-	495	90,253	9,368	-	6	-	Gross estate \$1 mil and over
85	-	-	85	19,021	1,255	-	21	16	Gift
10,283	802	31	11,115	22,135	751	364	15	20	Income, estate and gift, total
71	1	-	71	1,242	217	-	15	8	Excise
93	2	-	95	2,926	482	-	30	10	Employment
457	-	-	457	900,481	-	-	69	-	Windfall profit
2	-	-	2	81,185	-	-	-	-	Miscellaneous
-	-	268	268	-	-	374	-	-	Service center corrections

¹Service center no-change rate by class is not available. 17 percent of service center examinations resulted in no change.

Table 8.—Returns filed, examination coverage and results (1981)

	Returns filed		Returns examined				Percent coverage
	CY 1980	Revenue agents	Tax auditors	Service centers	Total		
Individual, total	93,052,000	289,507	1,193,079	161,518	1,644,104	1.77	
1040A, TPI ¹ under \$10,000	28,222,000	10,259	133,415	5,745	149,419	.53	
Non 1040A, TPI under \$10,000	8,553,000	12,439	104,274	34,116	150,829	1.76	
TPI \$10,000 under \$25,000, simple	21,071,000	7,154	106,202	12,597	126,953	.61	
TPI \$10,000 under \$25,000, complex	11,694,000	25,868	289,585	89,997	365,450	3.13	
TPI \$25,000 under \$50,000	14,901,000	43,612	401,511	26,679	471,802	3.17	
TPI \$50,000 and over	2,249,000	94,775	77,192	4,066	176,033	7.83	
Schedule C-TGR ² under \$25,000	2,324,000	10,749	20,174	2,182	33,085	1.42	
Schedule C-TGR \$25,000 under \$100,000	1,758,000	28,951	40,708	2,325	89,984	3.98	
Schedule C-TGR \$100,000 and over	866,000	39,534	22,329	1,251	63,114	7.12	
Schedule F-TGR under \$25,000	840,000	3,825	4,883	764	9,472	1.48	
Schedule F-TGR \$25,000 under \$100,000	559,000	6,340	7,686	629	14,655	2.62	
Schedule F-TGR \$100,000 and over	195,000	8,001	3,120	187	11,308	5.80	
Fiduciary	1,878,000	9,145	62	-	9,187	.48	
Partnerships	1,382,000	22,015	98	-	22,113	1.62	
Corporation, total ³	2,124,000	107,363	-	-	107,363	5.05	
Assets not reported	126,000	4,017	-	-	4,017	3.19	
Under \$100,000 ⁴	1,014,000	25,393	-	-	26,393	2.60	
\$100,000 under \$1 mil	779,000	42,245	-	-	42,245	5.42	
\$1 mil under \$10 mil	165,000	23,681	-	-	23,681	14.35	
\$10 mil under \$100 mil	27,000	7,001	-	-	7,001	25.93	
\$100 mil and over	5,000	4,026	-	-	4,026	80.52	
Small business corps.	628,000	9,356	-	-	9,356	1.77	
Form 1120 DISC	8,000	1,460	-	-	1,460	18.22	
Estate, total	147,000	28,344	753	-	27,097	18.43	
Gross estate under \$300,000	93,000	7,581	534	-	8,115	8.73	
Gross estate \$300,000 and over	55,000	18,763	219	-	18,982	34.51	
Gift	215,000	5,641	256	-	5,897	2.74	
Income, estate and gift, total	99,313,000	470,831	1,194,238	161,518	1,826,567	1.84	
Excise	875,000	61,251	10,940	-	72,191	8.25	
Employment	26,387,000	24,834	6,498	-	31,332	.12	
Miscellaneous	-	188	14	-	182	-	
Service center corrections	-	-	-	814,023	-	-	

¹Total positive income.
²Total gross receipts.
³Includes 8,000 Forms 1120F not allocated to corporation classes.
⁴Balance sheet assets.

Table 8.—Continued

	Recommended additional tax and penalties (in millions of dollars)				Average tax and penalty per return			No-change, percent ²	
	Revenue agents	Tax auditors	Service centers	Total	Revenue agents	Tax auditors	Service centers	Revenue agents	Tax auditors
	1,845	690	36	2,572	6,374	579	223	11	23
	79	50	1	130	7,733	372	158	10	23
	64	29	4	97	5,159	276	121	18	33
	18	49	3	70	2,584	451	205	16	25
	72	125	15	212	2,779	464	216	13	20
	151	220	9	380	3,454	548	338	10	22
	668	100	2	969	9,161	1,291	402	10	32
	34	15	1	50	3,177	744	321	15	22
	108	49	1	158	3,999	1,208	375	12	21
	373	43	1	416	9,423	1,939	411	11	21
	16	2	-	18	4,148	502	187	20	24
	14	5	-	19	2,166	696	232	12	20
	48	3	-	52	6,061	963	471	10	21
	39	-	-	39	4,239	1,305	-	26	44
	-	-	-	-	-	-	-	35	34
	5,339	-	-	6,339	59,040	-	-	18	-
	85	-	-	85	21,104	-	-	22	-
	49	-	-	49	1,854	-	-	22	-
	279	-	-	279	6,608	-	-	19	-
	382	-	-	382	16,148	-	-	16	-
	585	-	-	585	83,503	-	-	9	-
	4,959	-	-	4,959	1,231,715	-	-	3	-
	25	-	-	25	2,726	-	-	34	-
	-	-	-	-	-	-	-	39	-
	1,371	3	-	1,373	62,031	3,476	-	11	15
	98	2	-	100	12,949	3,880	-	15	15
	1,273	1	-	1,273	67,822	2,490	-	10	15
	69	-	-	70	12,292	1,029	-	21	30
	9,888	693	36	10,418	20,577	581	223	15	23
	79	2	-	81	1,289	183	-	18	13
	42	2	-	44	1,699	316	-	20	14
	2	-	-	2	11,554	40	-	1	79
	-	-	205	205	-	-	252	-	-

²Service center no-change rate by class is not available. 31 percent of service center examinations resulted in no change.

Table 9.—Additional tax and penalties recommended after examination by class of tax and by internal revenue regions and districts and other areas (In thousands of dollars)

Internal revenue regions, districts and service centers	Total	Individual	Fiduciary	Corporation	Sub-chapter S corporation	Estate	Gift	Excise	Employment	Exempt organizations	Windfall profit	Miscellaneous
Total	11,740,020	2,874,813	38,203	7,220,741	41,914	754,233	94,738	71,902	94,885	20	456,544	2,030
North-Atlantic Region:	2,535,255	352,254	8,400	2,034,964	3,753	106,145	8,804	4,966	19,965	1	451,565	3
Mid-Atlantic	1,844,895	432,095	2,840	1,410,000	5,401	83,007	12,013	8,193	15,155	1	2	2
Southeast	1,489,559	526,146	4,560	924,853	2,351	22,998	11,786	7,612	11,055	2	2	2
Central	1,113,039	263,317	2,721	730,622	8,582	10,278	12,189	15,785	4,333	3	3,709	2
Midwest	1,171,035	329,080	6,390	1,182,055	14,229	13,210	22,081	9,263	18,437	9	1	1
West	1,171,035	329,080	6,390	1,182,055	14,229	13,210	22,081	9,263	18,437	9	1	1
Southwest	1,227,821	719,271	8,442	875,040	4,320	196,159	6,149	8,595	9,618	2	16	9
North-Atlantic Region:	43,802	13,735	468	24,841	403	3,757	88	189	342	-	-	-
Albany	21,010	6,006	57	13,281	2	1,288	126	215	54	-	-	-
Augusta	270,782	56,815	502	187,258	838	22,659	361	1,270	1,293	-	-	-
Boston	158,422	63,157	1,207	51,656	233	19,867	585	1,389	238	-	-	-
Brooklyn	131,349	27,652	484	90,393	265	10,353	584	741	874	-	-	-
Buffalo	5,844	2,607	-	3,237	293	28	108	10	10	-	-	-
Burlington	363,275	32,459	963	311,855	520	13,647	2,503	348	970	-	-	-
Hartford	1,500,840	106,075	3,845	1,338,296	1,457	32,381	2,484	733	15,888	-	-	-
Manchester	8,290	5,017	102	1,976	-	1,028	34	28	45	-	-	-
Portsmouth	602,193	68,945	874	12,611	-	3,173	59	42	162	-	-	-
Providence	2,747	2,747	-	-	-	-	-	-	-	-	-	-
Anderson Service Center	3,575	3,575	-	-	-	-	-	-	-	-	-	-
Brookhaven Service Center	-	-	-	-	-	-	-	-	-	-	-	-
Mid-Atlantic Region:	155,539	57,240	817	71,314	2,043	13,321	4,730	5,438	635	1	-	-
Baltimore	143,181	51,396	188	81,264	-	4,954	221	1,790	1,066	-	-	-
Foreign Operations	1,000	118,115	368	838,103	1,111	13,041	5,415	488	1,209	-	-	-
Newark	286,340	87,864	373	178,589	1,665	15,009	567	391	907	-	-	-
Philadelphia	173,895	43,586	1,817	121,551	7	5,230	1,581	1,920	1,920	-	-	-
Pittsburgh	62,193	68,945	1,197	11,140	318	6,965	594	1,203	288	-	-	-
Richmond	78,212	5,486	21	68,735	257	1,175	10	26	502	-	-	-
Philadelphia Service Center	1,484	1,484	-	-	-	-	-	-	-	-	-	-
Southwest Region:	101,040	63,899	531	37,701	688	26,701	7,913	2,284	470	2	-	-
Birmingham	113,042	33,233	112	72,595	31	4,954	221	1,790	1,066	-	-	-
Columbia	42,780	30,781	33	8,775	512	1,244	353	462	1,031	-	-	-
Columbus	185,307	40,120	219	130,416	81	6,840	233	379	7,011	-	-	-
Greensboro	56,497	18,456	18	28,205	16	8,796	458	297	320	-	-	-
Jackson	438,023	263,120	3,302	121,534	1,099	24,889	1,945	1,784	1,370	-	-	-
Jacksonville	121,100	46,877	289	65,447	124	6,258	661	634	811	-	-	-
Nashville	4,783	4,783	-	-	-	-	-	-	-	-	-	-
Atlanta Service Center	5,097	5,097	-	-	-	-	-	-	-	-	-	-
Memphis Service Center	-	-	-	-	-	-	-	-	-	-	-	-
Central Region:	177,160	38,417	813	112,310	342	20,392	429	2,510	630	2	3,203	2
Cincinnati	262,599	48,034	188	188,202	946	17,300	1,082	6,094	1,334	-	-	-
Cleveland	410,069	70,387	941	314,744	353	18,872	7,871	2,204	697	-	-	-
Detroit	110,661	63,802	508	30,197	1,082	11,008	1,239	2,846	173	-	-	-
Indianapolis	109,410	29,354	246	71,225	300	5,317	709	1,036	903	-	-	-
Louisville	14,589	15,781	217	13,844	6,099	3,329	848	1,096	296	-	-	-
Parkersburg	4,561	1,581	-	-	-	-	-	-	-	-	-	-
Cincinnati Service Center	-	-	-	-	-	-	-	-	-	-	-	-
Midwest Region:	14,085	5,824	1	2,273	70	5,748	124	12	33	-	-	-
Aberdeen	817,911	118,963	3,683	635,940	5,221	45,333	1,876	2,224	4,533	-	-	-
Chicago	79,871	25,214	73	54,589	1,078	18,853	879	118	652	-	-	-
Des Moines	12,016	6,746	6	2,479	-	2,544	146	65	30	-	-	-
Fargo	190,025	29,335	324	148,502	47	8,125	2,755	607	320	-	-	-
Milwaukee	70,382	18,662	355	38,937	444	11,471	1,591	301	291	-	-	-
Omaha	180,999	50,426	1,367	94,834	7,258	15,381	718	4,599	6,415	-	-	-
St. Louis	231,224	44,140	465	156,182	44	8,467	13,675	443	6,776	-	-	-
St. Paul	117,716	27,233	78	68,400	360	19,287	1,392	591	387	-	-	-
Springfield	2,507	2,507	-	-	-	-	-	-	-	-	-	-
Kansas City Service Center	-	-	-	-	-	-	-	-	-	-	-	-
Southwest Region:	18,743	9,969	4	6,892	18	1,815	85	280	80	-	-	-
Albuquerque	121,023	35,512	2,073	65,404	20	12,712	1,243	1,103	1,226	-	-	-
Austin	12,621	8,232	50	2,288	-	3,510	358	151	34	-	-	-
Cheyenne	242,120	78,021	1,110	133,453	131	26,487	172	2,080	640	2	9	2,015
Dallas	96,946	35,577	821	50,177	473	7,548	290	1,530	531	-	-	-
Denver	512,740	89,418	78	420,518	8	9,881	8,431	1,321	2,954	-	-	-
Houston	28,435	12,972	296	10,267	-	4,028	363	222	-	-	-	-
Little Rock	149,530	44,281	287	87,641	1,639	13,830	441	835	577	-	-	-
New Orleans	151,882	32,644	221	90,144	503	17,563	1,856	7,778	1,118	-	-	-
Oklahoma City	116,990	26,298	11	63,471	3	8,400	562	1,044	16,162	-	-	-
Wichita	1,887	1,887	-	-	-	-	-	-	-	-	-	-
Austin Service Center	-	-	-	-	-	-	-	-	-	-	-	-
Western Region:	28,841	19,114	1,976	4,645	196	439	82	75	314	-	-	-
Anchorage	49,388	11,411	123	35,843	180	1,585	46	245	155	-	-	-
Boise	19,401	12,879	13	3,101	17	2,868	118	231	174	-	-	-
Helena	20,045	13,079	-	11,384	34	1,333	8	23	184	-	-	-
Honolulu	735,789	303,439	1,720	366,577	1,753	57,332	1,558	1,768	1,430	1	9	-
Phoenix	104,094	48,239	622	46,436	368	6,978	559	238	1,054	-	-	-
Portland	55,805	39,567	318	18,979	232	8,891	948	681	491	-	-	-
Portland	116,486	29,033	36	12,675	3	73,552	473	45	669	-	-	-
Salt Lake City	47,789	21,469	54	24,332	311	971	26	384	233	-	-	-
Reno	453,971	157,344	1,157	257,878	1,027	27,450	765	4,334	2,061	1	-	-
San Francisco	174,784	56,450	2,425	95,930	189	17,225	1,567	670	849	-	-	-
Seattle	2,462	2,462	-	-	-	-	-	-	-	-	-	-
Ogden Service Center	4,785	4,785	-	-	-	-	-	-	-	-	-	-
Fresno Service Center	-	-	-	-	-	-	-	-	-	-	-	-

* Less than \$500.

Table 10.—Number of returns examined by class of tax and by internal revenue regions and districts and other areas

Internal revenue regions, districts and service centers	Total	Individual	Partnership	Fiduciary	Corporation	Sub-chapter S corporation	Estate	Gift	Excise	Employment	Exempt organizations	Employee plans	Windfall profit	Miscellaneous
Total	1,771,998	1,455,256	23,084	10,301	107,705	10,122	24,487	4,509	80,188	34,048	21,388	18,388	507	27
North-Atlantic Region:	236,325	205,186	2,706	2,338	20,389	1,475	4,024	825	8,408	4,455	4,109	2,428	10	2
Mid-Atlantic	191,889	181,542	468	438	3,825	167	471	87	7,738	1,154	2,497	2,820	12	11
Southeast	284,356	225,096	3,107	1,088	14,048	1,647	2,511	842	7,833	3,549	3,298	3,167	28	1
Central	175,283	137,318	2,141	1,326	10,830	1,235	3,204	525	8,881	6,819	6,819	3,412	20	1
Midwest	175,283	137,318	2,141	1,326	10,830	1,235	3,204	525	8,881	6,819	6,819	3,412	20	1
Southwest	216,656	173,786	2,988	973	14,837	1,341	2,854	611	11,882	8,122	7,841	2,640	48	8

Table 11.—Returns examined by examination divisions

	1981	1982
Number of returns examined by examination divisions	1,930,292	1,732,232
Returns with adjustments proposed by examination divisions	1,512,185	1,408,399
Returns without adjustments proposed by examination divisions	418,107	323,833
Disposition of examined returns:		
Agreed, paid or delinquent	1,930,292	1,732,232
Transferred to regional appeals offices	1,729,812	1,518,622
Postponed, statutory notices	92,869	90,969
Other*	27,298	34,366
	80,573	88,278

*Includes quick assessments and cases transferred to Justice Department.

Table 12.—Overassessments of tax as the result of examination (Exclusive of claims for refund)

	Number of returns		Amount recommended (in thousands of dollars)	
	1981	1982	1981	1982
Total	114,894	114,602	395,480	470,382
Individual	95,183	95,825	112,440	114,074
Factory	1,401	1,426	7,236	11,490
Corporation	8,541	8,002	214,215	258,083
Estate	4,078	3,833	51,399	54,833
Gift	181	98	1,274	702
Excise	3,710	3,903	5,278	8,507
Employment	1,900	1,413	3,671	14,673

Table 13.—Results of collection activity (In thousands)

	1981	1982
Taxpayer delinquent accounts:		
Opening inventory	1,204	1,436
Issuances	2,412	2,891
Dispositions	2,180	2,360
Closing inventory	1,436	1,967
(a) Number of accounts	4,678,853	6,716,746
(b) Balance of assessed tax, penalty and interest		
Delinquent return investigations:		
Opening inventory	540	840
Issuances	1,112	1,263
Dispositions	1,012	1,149
Closing inventory	840	754
Returns compliance investigations closed:		
Returns compliance investigations closed	6	37
Miscellaneous investigations closed:		
Miscellaneous investigations closed	143	186
Offers in compromise processed:		
Offers in compromise processed	2	2
Enforcement activity:		
Notices of federal tax lien filed	503	595
Notices of levy served upon third parties	740	1,058
Seizure of property made	9	11

Table 14.—Civil penalties assessed and abated (Dollars in thousands)

	Assessments		Abatements		Net penalties	
	Number	Amount	Number	Amount	Number	Amount
Individual						
Delinquency	1,369,742	348,381	196,332	83,417	1,183,410	262,964
Estimated tax	6,440,308	900,751	376,782	98,213	6,063,526	802,538
Failure to pay	6,066,815	223,751	720,068	28,504	5,346,727	195,147
Bad check	166,287	1,879	6,441	376	179,846	1,503
Fraud	9,898	56,847	357	4,078	9,541	52,769
Negligence	113,528	20,630	3,152	1,321	110,356	19,709
False withholding	12,254	6,131	1,700	850	10,554	5,281
Other ¹	9,350	1,030	862	109	8,488	921
Total	14,208,162	1,557,399	1,295,714	217,568	12,912,448	1,339,931
Corporation²						
Delinquency	147,194	208,307	29,626	155,034	118,568	53,273
Estimated tax	334,558	198,726	43,570	70,240	290,768	128,486
Failure to pay	253,208	298,156	75,550	72,532	177,658	225,624
Bad check	3,059	136	112	2,827	23	23
Fraud	499	8,118	59	4,820	440	3,187
Negligence	3,640	7,184	104	969	3,536	6,315
Miscellaneous	170	371	8	432	162	-61
Total	742,128	720,997	148,049	304,140	594,078	416,858
Employment³						
Delinquency	2,279,560	471,721	208,278	114,213	2,071,282	357,508
Miscellaneous	927	412	157	93	770	330
Failure to pay	3,416,766	169,852	668,542	62,748	2,748,224	107,104
Federal tax deposits	4,648,590	1,838,644	673,610	619,704	3,974,980	1,018,939
Bad check	139,520	2,659	2,160	102	137,360	2,558
Fraud	940	2,339	54	122	886	2,217
Negligence	128	24	14	2	112	23
Total	10,485,728	2,485,651	1,552,615	896,973	8,933,914	1,488,678
Excise⁴						
Delinquency	261,610	24,626	23,048	9,793	238,762	14,843
Daily delinquency	17,023	36,504	12,524	29,492	4,499	7,112
Failure to pay	227,279	17,255	63,849	22,608	163,430	-5,533
Federal tax deposits	33,887	14,336	5,091	8,704	28,796	5,632
Bad check	3,241	81	107	21	3,134	60
Fraud	639	0,287	30	136	609	9,151
Other ⁵	109	14	12	2	97	11
Total	544,158	102,202	104,871	70,747	439,517	31,455
Estate and Gift						
Delinquency	14,084	24,478	4,785	20,785	9,299	13,694
Miscellaneous	16	11	7	8	9	3
Failure to pay	30,441	30,318	20,637	22,717	9,804	7,601
Bad check	540	123	89	96	451	57
Fraud	16	415	4	516	14	-101
Negligence	57	67	4	2	53	65
Total	45,156	74,412	25,528	53,094	19,630	21,318
All Other⁶						
Delinquency	175,222	108,954	96,591	81,504	78,631	27,450
Failure to pay	79,141	4,447	31,275	2,280	47,866	2,187
Bad check	1,488	25	66	5	1,390	20
Negligence	51	27	13	14	38	13
Miscellaneous	32	11	20,552	43,427	-20,520	-43,416
Total	255,634	113,464	148,529	127,230	107,405	-13,788
Total, all civil penalties:	26,282,297	5,094,125	3,275,304	1,769,782	23,006,993	3,284,373

Note: Amounts may not add due to rounding. With the exception of estimated tax, penalties can apply to any tax year.

Abatements can apply to any tax year.

¹ Includes taxpayer identification number, failure to report tips and miscellaneous.

² Includes Forms 1120, 990C and 990T.

³ Includes Forms 940, 941, 942, 943 and CT-1.

⁴ Includes Forms 1041A, 5227, 990PF, 4720, 990, 4638, 2290, 11, 11B, 11C, 720 and 730.

⁵ Includes negligence and miscellaneous.

⁶ Includes Forms 1041, 1065 and individual retirement account file.

Table 15.—Appeals division receipt and disposition of cases not before the Tax Court (Nondocketed)

Status	Amount stated in revenue agents' reports (in thousands of dollars)		
	Number of cases ¹ (1)	Deficiency and penalty (2)	Over assessment (3)
Pending Oct. 1.....	26,785*	9,230,635	210,193
Received.....	41,177	3,855,845	166,665
Disposed of, total.....	37,976	2,223,789	82,736
Agreed.....	29,986	2,561,524	76,737
Unagreed (overassessments, claims, excise, employment and offer-in-compromise rejections).....	1,230	80,978	2,324
By taxpayer default on statutory notice.....	2,437	121,320	213
Petition filed, transferred to Counsel.....	4,323	440,247	3,462
Pending Sept. 30.....	29,986	8,862,991	294,122

B. Results

Status	Appeals determination (in thousands of dollars)		
	Number of cases ¹ (1)	Deficiency and penalty (2)	Over assessment (3)
Disposed of, total.....	37,798	1,276,524	176,374
By agreement.....	29,986	1,067,271	172,956
Unagreed (overassessments, claims, excise, employment and offer-in-compromise rejections).....	1,230	85,493	1,445
By taxpayer default on statutory notice.....	2,437	112,781	145
Petition filed, transferred to Counsel.....	4,323	10,879	1,826

¹ A case represents taxpayers grouped together by tax periods with common or related issues that may be heard and disposed of together.

* Data revised from previous annual report.

Table 16.—Appeals division receipt and disposition of income, estate and gift tax cases petitioned to the Tax Court (Docketed)

Status	Amount stated in statutory notices (in thousands of dollars)		
	Number of cases ¹ (1)	Deficiency and penalty (2)	Over assessment (3)
Pending Oct. 1.....	11,739*	1,598,266	17,873
Received.....	22,038	1,506,342	3,719
Disposed of, total.....	14,901	713,342	12,373
Agreed in appeals.....	8,448	466,138	10,916
Dismissed, lack of jurisdiction.....	1,274	4,451	5
Unagreed, transferred to Counsel's sole jurisdiction.....	5,179	240,753	1,453
Pending Sept. 30.....	18,876	2,391,266	9,319

B. Results obtained in dispositions

Method	Appeals determination (in thousands of dollars)		
	Number of cases ¹ (1)	Deficiency and penalty (2)	Over assessment (3)
Disposed of, total.....	14,901	568,534	3,806
Agreed in appeals.....	8,448	322,764	3,637
Dismissed, lack of jurisdiction.....	1,274	5,017	5
Unagreed, transferred to Counsel's sole jurisdiction.....	5,179	240,753	153

¹ A case represents taxpayers grouped together by tax periods with common or related issues that may be heard and disposed of together.

* Data revised from previous annual report.

Table 17.—Requests for EP/EO tax rulings and technical advice (Closings)

Subject	Total	Taxpayer requests	Field requests
Total.....	8,556	7,787	769
Actuarial matters.....	2,569	2,528	41
Exempt organizations.....	3,790	3,572	218
Employee plans.....	2,187	1,687	500

Table 18.—Determination letters issued on ERISA employee benefit plans

Letters issued	Stock bonus	Money purchase	Target benefit	Profit sharing	ESOP	Total defined contribution	Defined benefit	Total
Initial qualifications:								
Qualified.....	315	23,737	381	34,889	123	59,445	27,940	87,385
Participating employees.....	199,094	442,318	6,539	635,990	112,744	1,396,685	611,264	2,207,949
Not qualified.....	4	13	0	28	1	46	62	108
Amendments:								
Qualified.....	361	8,972	172	13,723	103	23,331	19,223	42,554
Not qualified.....	1	2	0	3	0	6	5	11
Terminations:								
Qualified.....	37*	3,506	132	5,904	-	9,581	4,683	14,264
Not qualified.....	0	10	1	15	0	26	9	35

* The termination reporting system does not distinguish between stock bonus and ESOP plans.

Table 19.—Number of exempt organizations returns examined by type

Section 501(c)(3).....	Private foundation.....	3,573
	Nonexempt charitable trust.....	493
501(c)(3).....	All others.....	8,417
501(c)(4).....	Civic leagues, social welfare.....	1,923
501(c)(5).....	Labor, agriculture, horticulture.....	1,967
501(c)(6).....	Business leagues.....	1,976
501(c)(7).....	Social and recreational clubs.....	2,240
501(c).....	All others.....	2,589
521.....	Farmers' cooperatives.....	520
Total.....		21,358

Table 20.—Number of active entities on exempt organizations master file

	1981	1982
Section 501(c):	45	24
(1) Corporations organized under act of Congress	5,355	5,522
(2) Titleholding corps.	327,758	322,826
(3) Religious, charitable, etc.	129,101	131,578
(4) Social welfare	84,189	85,322
(5) Labor, agriculture organizations	48,908	51,065
(6) Business leagues	51,958	54,096
(7) Social and recreation clubs	135,798	115,549
(8) Fraternal beneficiary societies	7,995	8,703
(9) Voluntary employees' beneficiary societies	15,995	18,570
(10) Domestic fraternal beneficiary societies	11	13
(11) Teachers' retirement funds	4,073	5,071
(12) Benevolent life insurance assns.	8,085	6,290
(13) Cemetery companies	5,865	6,074
(14) Credit unions	1,099	1,073
(15) Mutual insurance companies	22	22
(16) Corps to finance crop operations	798	784
(17) Supplemental unemployment benefit trusts	4	3
(18) Employee funded pension trusts	21,858	23,851
(19) War veterans' organizations	51	90
(20) Legal service organizations	4	9
(21) Black lung trusts	58	68
501(d) Religious and apostolic organizations	112	108
501(e) Cooperative hospitals	—	—
501(f) Coop. service orgs. of operating educational orgs.	2,960	2,781
521 Farmers' cooperatives	—	—
Total	851,012	841,440

* This figure does not represent a true universe of section 501(c)(3) organizations because certain organizations, such as churches, their integrated auxiliaries and conventions or associations of churches, need not apply for recognition of exemption unless they desire to receive a ruling. When issued the ruling letter goes to the central organization, but it covers all of its subordinate units. Only the central organization is established on the exempt organizations master file where it is counted as one entity in the figure as stated above. However, this one ruling may represent a large number of subordinate units, as in the case of larger religious sects. An exception are subordinate units considered nonintegrated auxiliaries, which are established and included in the above figures since they may be required to file information returns as prescribed under section 6033.

Table 21.—Disposal of exempt organizations applications

	Applications for determination			Total
	Approved	Denied	Other ¹	
Section 501(c):	—	—	—	—
(1) Corporations organized under act of Congress	200	11	106	317
(2) Titleholding corps.	28,279	800	8,966	38,045
(3) Religious, charitable, etc.	2,906	133	851	3,890
(4) Social welfare	459	17	133	609
(5) Labor, agriculture orgs.	1,822	110	426	2,468
(6) Business leagues	1,332	143	633	2,108
(7) Social and recreation clubs	29	6	29	64
(8) Fraternal beneficiary societies	1,010	19	187	1,216
(9) Voluntary exempt beneficiary societies	8	8	86	127
(10) Domestic fraternal societies	53	0	86	127
(11) Teachers' retirement funds	105	20	81	206
(12) Benevolent life insurance assns.	286	10	49	345
(13) Cemetery companies	12	—	6	18
(14) Credit unions	14	—	3	17
(15) Mutual insurance companies	—	—	—	—
(16) Corps to finance crop operations	—	—	—	—
(17) Supplemental unemployment	23	1	2	26
(18) Employee funded pension trusts	—	—	46	148
(19) War veterans' organizations	4	—	4	20
(20) Legal service organizations	16	—	4	4
(21) Black lung trusts	—	—	—	—
(22) Employer liability trusts	7	—	—	8
501(d) Apostolic and religious organizations	7	—	1	3
501(e) Cooperative hospitals	—	—	—	—
501(f) Coop. service orgs. of operating educational orgs.	36	7	26	69
521 Farmers' cooperatives	19	53	—	66
4947(A) Homesempt charitable trusts	1,624	225	781	2,630
National Office rulings and determination letters	—	—	—	—
Total	38,434	1,510	12,280	52,204

¹ Application withdrawn by taxpayer and failure to furnish required information.

Table 22.—Internal revenue collections, costs, employees and U.S. population

Fiscal year	Operating cost (1)	Collections (2)	Cost of collecting \$100 (3)	Population (Thous. ands) (4)	Tax per capita (5)	Average positions realized		
						Total (6)	National Office (7)	Field (8)
1953	268,990,806	69,686,535,389	0.38	160,184	435.00	53,463	3,834	49,629
1954	268,969,107	69,919,980,791	0.38	163,026	428.89	51,411	2,707	48,704
1955	278,834,278	66,286,692,000	0.42	165,931	399.50	50,890	2,875	48,215
1956	299,894,710	75,112,649,000	0.40	168,903	444.71	50,882	2,583	48,099
1957	355,537,814	80,171,917,000	0.38	171,984	486.18	51,364	2,832	48,532
1958	337,426,789	78,878,476,484	0.42	174,882	457.33	50,818	2,909	47,907
1959	355,469,228	78,797,872,806	0.44	177,830	448.73	51,226	2,969	48,257
1960	363,735,358	91,774,802,823	0.40	180,671	507.96	51,047	2,910	48,137
1961	413,295,238	94,401,086,398	0.44	183,691	513.81	53,206	3,042	50,164
1962	450,980,420	99,440,839,245	0.45	186,538	533.09	56,491	3,401	53,080
1963	500,804,314	105,925,395,281	0.47	189,242	559.74	59,711	3,657	56,054
1964	549,692,131	112,260,257,115	0.49	191,889	585.03	61,059	3,839	57,220
1965	597,387,471	114,434,633,721	0.52	194,303	588.85	62,098	3,881	58,217
1966	624,861,829	128,879,961,342	0.48	196,580	655.88	63,508	3,882	59,526
1967	667,080,295	148,374,814,552	0.45	198,712	748.58	65,948	3,864	62,082
1968	689,190,304	153,383,837,665	0.46	200,706	785.48	67,574	3,967	63,607
1969	758,785,475	187,919,559,668	0.45	202,677	927.19	66,064	3,862	62,202
1970	886,159,162	195,722,096,487	0.45	204,878	955.31	68,883	4,103	64,580
1971	981,065,297	191,647,198,138	0.51	207,053	925.63	68,972	4,358	64,614
1972	1,127,530,411	209,855,736,879	0.54	208,848	1,004.83	68,549	4,134	64,415
1973	1,162,009,845	237,787,204,058	0.49	210,410	1,130.11	74,170	4,505	69,665
1974	1,312,694,661	268,952,253,663	0.49	211,901	1,264.94	78,821	4,310	74,511
1975	1,584,711,486*	293,822,725,772	0.54	213,559	1,375.84	82,339	4,531	77,808
1976	1,967,311,689*	302,519,791,922	0.56	215,142	1,406.14	84,264	4,732	79,532
1977	1,790,588,738*	358,139,416,730	0.50	217,328	1,647.81	83,743	4,984	78,759
1978	1,962,129,287*	399,776,389,362	0.49	219,033	1,826.81	85,329	4,919	80,410
1979	2,116,166,276*	460,412,185,013	0.46	220,999	2,083.32	86,168	4,978	81,190
1980	2,280,836,622*	519,375,273,361	0.44	223,383	2,225.84	87,464	5,114	82,350
1981	2,465,468,704*	606,799,120,630	0.41	225,885	2,688.55	88,156	5,110	83,046
1982	2,626,338,038	632,240,505,995	0.42	232,634	2,717.75	82,857	5,088	77,759

* This figure represents actual IRS operating costs from FY 1975, exclusive of reimbursements received from other agencies for services performed. While the operating cost figures for fiscal years prior to 1975 may in some cases include reimbursements, those amounts are small and do not alter the cost figures in column 3.
 —Economic stabilization program average positions included in 1972, 1973 and 1974.
 —Federal energy program average positions included in 1974.
 —1972 adjusted by 3,990 average positions to reflect the AT&F transfer—July 1972. AT&F included in years 1948–71.
 —Eleven average positions transferred to office of the Secretary in 1965. Twenty average positions transferred to office of the Secretary in 1963.

Table 23.—Costs incurred by the Internal Revenue Service by activity (In thousands of dollars)

Appropriation by activity	Total		Personnel compensation and benefits		Other	
	1981	1982	1981	1982	1981	1982
Total obligations, appropriations and reimbursable	2,480,876	2,837,829	1,942,781	2,032,542	537,825	605,087
Obligations against appropriated funds	2,465,469	2,826,338	1,930,190	2,022,798	535,279	603,500
Salaries and expenses:						
Total	162,184	158,209	137,335	132,225	24,850	25,984
Executive direction	17,627	17,292	11,373	14,452	6,254	2,840
Internal audit and security	38,113	35,929	29,832	30,028	6,281	5,901
Management services	25,687	24,997	21,535	20,891	4,152	4,106
Legal services	58,405	57,905	52,816	48,395	5,589	9,510
Technical rulings and services	24,362	22,086	21,779	18,459	2,583	3,627
Taxpayer service and returns processing:						
Total	829,481	856,839	658,635	642,708	270,926	314,131
Data processing operations	393,784	443,961	400,898	400,898	150,103	222,049
Statistical reporting	17,544	17,308	14,418	10,963	3,126	6,345
Taxpayer service	218,153	206,568	100,456	130,847	117,697	75,737
Examinations and appeals:						
Total	801,542	957,822	757,328	805,980	144,214	151,842
Examinations	638,416	889,631	700,007	749,756	136,409	140,875
Appeals	85,126	67,991	57,321	57,224	7,805	10,787
Investigations and collection:						
Total	572,272	653,668	478,992	541,876	95,280	111,783
Tax fraud investigations	153,927	172,176	126,682	142,730	27,245	29,446
Collection	348,414	415,887	291,310	349,027	57,972	79,150
Employee plans/exempt organizations	68,935	71,315	58,872	59,118	10,063	12,197
Reimbursable obligations, total	15,107	11,291	12,680	9,784	2,448	1,537

Table 24.—Costs incurred by the Internal Revenue Service by office
(In thousands of dollars)

Internal revenue office, district or region	Total	Personnel compensation	Travel	Equipment	Other
	(1)	(2)	(3)	(4)	(5)
A. Total, Internal Revenue Service	2,837,830	2,052,816	68,868	32,789	485,077
National Office	551,521	193,885	4,998	15,714	331,024
North-Atlantic	338,772	300,082	6,551	3,741	26,398
Mid-Atlantic	247,020	223,845	6,717	1,266	15,202
Southwest	204,649	179,697	9,446	1,674	21,505
Central	242,433	218,346	7,393	1,890	15,579
Midwest	270,703	240,374	10,620	2,012	13,306
Southwest	397,316	352,250	12,160	3,172	29,734
Western	43,252	40,104	599	85	1,664
Regional Counsel	17,244	10,174	44	53	6,973
Regional Inspection	30,957	27,223	136	97	3,501
National Computer Center					
IRS Data Center					
B. Regional commissioners' offices (excluding district directors' offices and service centers)					
North-Atlantic	23,300	19,499	561	774	2,486
Mid-Atlantic	17,478	15,221	362	586	1,331
Southwest	16,148	13,252	804	193	1,736
Central	15,907	13,991	601	353	932
Midwest	17,539	15,499	835	178	1,027
Southwest	18,132	15,579	977	831	1,251
Western	27,036	21,382	2,022	813	2,839
C. District directors' offices and service centers					
North-Atlantic:					
Albany	10,112	8,978	431	54	649
Augusta	5,442	4,794	313	21	314
Boston	30,865	35,016	1,020	274	2,355
Brooklyn	37,512	35,138	605	330	1,439
Buffalo	22,845	19,906	763	499	1,657
Burlington	2,862	2,473	196	17	176
Burlington	20,442	18,846	686	84	816
Hartford	75,894	71,342	1,013	739	2,830
Manchester	4,995	4,397	290	38	300
Portsmouth	6,413	5,827	193	18	275
Providence	235	232	2	—	3
North-Atlantic Region-centralized training	44,274	37,013	137	639	6,435
Andover Service Center	43,781	38,753	121	244	6,683
Brookhaven Service Center					
Mid-Atlantic:					
Baltimore	32,859	30,837	678	173	1,271
Baltimore	19,724	16,641	1,683	13	1,397
Foreign Operations	50,861	47,547	1,236	110	1,786
Newark	37,228	34,677	819	116	1,416
Philadelphia	19,442	17,823	580	46	893
Pittsburgh	22,315	20,029	957	125	1,204
Richmond	4,464	4,158	126	14	166
Wilmington	703	549	184	—	153
Mid-Atlantic Region-centralized training	184	—	—	—	—
Philadelphia Service Center	41,882	36,063	111	93	5,615
Southeast:					
Atlanta	34,479	30,283	1,572	95	2,540
Birmingham	14,850	13,099	670	348	733
Columbia	8,606	8,070	399	45	292
Greensboro	22,027	20,111	1,029	25	862
Jackson	9,026	8,192	521	22	291
Jacksonville	50,860	46,238	1,981	77	2,684
Nashville	19,144	17,136	798	167	1,043
Southwest Region-centralized training	231	—	—	—	13
Atlanta Service Center	49,125	42,821	197	303	5,804
Memphis Service Center	42,656	36,550	159	399	5,548
Central:					
Cincinnati	24,570	21,953	835	118	1,684
Cleveland	32,301	29,168	1,370	138	1,825
Indianapolis	44,061	39,546	1,895	271	2,558
Detroit	23,022	19,566	1,051	151	2,254
Indianapolis	14,452	12,705	812	129	906
Louisville	8,238	7,288	517	79	354
Parkersburg	239	236	—	—	1
Central Region-centralized training	41,959	35,480	184	741	5,554

Table 24.—Continued
(In thousands of dollars)

Internal revenue office, district or region	Total	Personnel compensation	Travel	Equipment	Other
	(1)	(2)	(3)	(4)	(5)
Midwest:					
Aberdeen	3,901	3,471	253	3	174
Chicago	83,087	88,659	1,498	354	2,578
Des Moines	12,900	11,656	501	30	613
Fargo	3,162	3,326	248	9	181
Milwaukee	19,130	17,640	626	51	813
Omaha	8,484	7,717	349	20	398
St. Louis	29,763	26,692	1,177	183	1,541
St. Paul	23,517	21,741	854	17	905
Springfield	13,554	12,560	563	11	420
Midwest Region-centralized training	223	—	—	—	—
Kansas City Service Center	46,673	39,215	106	452	6,900
Southwest:					
Albuquerque	8,390	5,757	312	35	276
Austin	25,286	23,085	1,057	137	987
Chattanooga	3,688	3,074	217	23	174
Dallas	49,092	44,538	1,968	212	2,573
Denver	19,683	17,549	908	167	1,080
Houston	25,581	22,793	1,263	118	1,118
Little Rock	10,521	9,293	585	83	580
New Orleans	20,357	18,987	1,022	119	1,069
Oklahoma City	18,036	16,384	853	67	722
Wichita	13,368	11,979	614	86	669
Southwest Region-centralized training	414	—	—	—	—
Austin Service Center	60,185	52,447	298	835	6,605
Western:					
Anchorage	6,518	5,679	412	18	409
Boise	5,638	4,846	302	30	360
Holena	4,525	4,002	293	24	206
Honolulu	7,282	6,697	397	35	263
Los Angeles	96,592	87,511	3,451	784	4,446
Phoenix	13,964	12,712	471	22	759
Portland	15,113	13,684	607	82	680
Reno	9,548	8,648	410	64	426
Salt Lake City	7,416	5,794	282	19	321
San Francisco	64,503	58,786	2,035	161	2,582
Seattle	24,176	21,890	907	181	1,198
Western Region-centralized training	270	—	—	—	—
Ogden Service Center	53,521	45,612	270	376	6,937
Fresno Service Center	61,614	53,767	215	374	7,258

Note: Reimbursements are included in the above figures.

Table 25.—Personnel summary

Location and type	Average positions realized		Number employees at close of year	
	1981	1982	1981	1982
Service total	88,860	83,766	85,672	83,835
Permanent	69,718	78,731 ¹	70,069	77,854 ¹
Temporary	17,142	3,025	15,603	5,971
National Office ²	5,124	5,113	4,930	4,851
Regional Offices ³	81,736	78,643	80,742	79,184
Data processing operations	26,821	22,821	23,512	22,588
Collection	11,388	12,818	12,301	13,543
Revenue officers	5,312	5,989	5,342	6,522
Other	6,076	6,829	6,959	7,021
Taxpayer service	4,710	3,823	5,189	4,505
Taxpayer service specialists	645	632	653	636
Taxpayer service representatives	932	827	935	910
Other	3,153	2,264	3,581	2,959
Examination	22,715	22,766	23,343	22,097
Revenue agents	13,184	13,450	13,492	13,313
Tax auditors	4,032	3,844	4,580	4,621
Other	5,500	5,472	5,271	3,963
Employee plans/exempt organizations	1,363	1,307	1,333	1,321
EP/EO technicals	1,136	1,100	1,097	1,091
Other	227	207	236	230
Appeals	1,688	1,666	1,690	1,693
Appeals officers	835	814	822	834
Auditors	132	131	132	129
Other	721	721	736	730
Tax fraud	3,775	3,724	3,782	3,790
Special agents	2,744	2,673	2,730	2,638
Other	1,031	1,051	1,052	878
Resources management	3,722	3,759	3,784	3,808
Centralized services	3,825	3,881	3,813	4,111
Regional counsel	1,177	1,201	1,190	1,233
Regional Inspection	851	777	825	770

Note: Reimbursements are included in above figures.

¹ Seasonal employees with permanent appointments are included in total starting in fiscal year 1982.

² Includes terminal leave for average positions realized for entire Service.

³ Includes National Computer Center and the Data Center.

Commissioners of Internal Revenue

Office of Commissioner of Internal Revenue
created by Act of Congress, July 1, 1862.

George S. Boutwell

Massachusetts
July 17, 1862 / March 4, 1863

Joseph J. Lewis

Pennsylvania
March 18, 1863 / June 30, 1865

William Orton

New York
July 1, 1865 / Oct. 31, 1865

Edward A. Rollins

New Hampshire
Nov. 1, 1865 / March 10, 1869

Columbus Delano

Ohio
March 11, 1869 / Oct. 31, 1870

Alfred Pleasonton

New York
Jan. 3, 1871 / Aug. 8, 1871

John W. Douglass

Pennsylvania
Aug. 9, 1871 / May 14, 1875

Daniel D. Pratt

Indiana
May 15, 1875 / July 31, 1876

Green B. Raum

Illinois
Aug. 2, 1876 / April 30, 1883

Walter Evans

Kentucky
May 21, 1883 / March 19, 1885

Joseph S. Miller

West Virginia
March 20, 1885 / March 20, 1889

John W. Mason

West Virginia
March 21, 1889 / April 18, 1893

Joseph S. Miller

West Virginia
April 19, 1893 / Nov. 26, 1896

W. St. John Forman

Illinois
Nov. 27, 1896 / Dec. 31, 1897

Nathan B. Scott

West Virginia
Jan. 1, 1898 / Feb. 28, 1899

George W. Wilson

Ohio
March 1, 1899 / Nov. 27, 1900

John W. Yerkes

Kentucky
Dec. 20, 1900 / April 30, 1907

John G. Capers

South Carolina
June 5, 1907 / Aug. 31, 1909

Royal E. Cabell

Virginia
Sept. 1, 1909 / April 27, 1913

William H. Osborn

North Carolina
April 28, 1913 / Sept. 25, 1917

Daniel C. Roper

South Carolina
Sept. 26, 1917 / March 31, 1920

William M. Williams

Alabama
April 1, 1920 / April 11, 1921

David H. Blair

North Carolina
May 27, 1921 / May 31, 1929

Robert H. Lucas

Kentucky
June 1, 1929 / Aug. 15, 1930

David Burnet

Ohio
Aug. 20, 1930 / May 15, 1933

Guy T. Helevering

Kansas
June 6, 1933 / Oct. 8, 1943

Robert E. Hannegan

Missouri
Oct. 9, 1943 / Jan. 22, 1944

Joseph D. Nunan, Jr.

New York
March 1, 1944 / June 30, 1947

George J. Schoeneman

Rhode Island
July 1, 1947 / July 31, 1951

John B. Dunlap

Texas
Aug. 1, 1951 / Nov. 18, 1952

T. Coleman Andrews

Virginia
Feb. 4, 1953 / Oct. 31, 1955

Russell C. Harrington

Rhode Island
Dec. 5, 1955 / Sept. 30, 1958

Dana Latham

California
Nov. 5, 1958 / Jan. 20, 1961

Mortimer M. Caplin

Virginia
Feb. 7, 1961 / July 10, 1964

Sheldon S. Cohen

Maryland
Jan. 25, 1965 / Jan. 20, 1969

Randolph W. Thrower

Georgia
April 1, 1969 / June 22, 1971

Johnnie M. Walters

South Carolina
Aug. 6, 1971 / April 30, 1973

Donald C. Alexander

Ohio
May 25, 1973 / Feb. 26, 1977

Jerome Kurtz

Pennsylvania
May 5, 1977 / Oct. 31, 1980

Roscoe L. Egger, Jr.

Indiana
March 14, 1981

The following were Acting Commissioners during periods when there was no Commissioner holding the office:

Joseph J. Lewis of Pennsylvania
from March 5 to March 17, 1863

John W. Douglas of Pennsylvania
from Nov. 1, 1870, to Jan. 2, 1871

Henry C. Rogers of Pennsylvania
from May 1 to May 10, 1883, and from May 1 to
June 4, 1907

John J. Knox of Minnesota
from May 11 to May 20, 1883

Robert Williams, Jr. of Ohio
from Nov. 28 to Dec. 19, 1900

Millard F. West of Kentucky
from April 12 to May 26, 1921

H.F. Mires of Washington
from Aug. 16 to Aug. 19, 1930

Pressly R. Baldrige of Iowa
from May 16 to June 5, 1933

Harold N. Graves of Illinois
from Jan. 23 to Feb. 29, 1944

John S. Graham of North Carolina
from Nov. 19, 1952, to Jan. 19, 1953

Justin F. Winkle of New York
from Jan. 20 to Feb. 3, 1953

O. Gordon Delk of Virginia
from Nov. 1 to Dec. 4, 1955, and from Oct. 1 to Nov. 4,
1958

Charles I. Fox of Utah
from Jan. 21 to Feb. 6, 1961

Bertrand M. Harding of Texas
from July 11, 1964, to Jan. 24, 1965

William H. Smith of Virginia
from Jan. 21 to March 31, 1969

Harold T. Swartz of Indiana
from June 23 to Aug. 5, 1971

Raymond F. Harless of California
from May 1 to May 25, 1973

William E. Williams of Illinois
from Feb. 27 to May 4, 1977, and from Nov. 1, 1980,
to March 13, 1981

**National
Office**

Commissioner
Roscoe L. Egger, Jr.

Deputy Commissioner
James I. Owens

Assistant to the Commissioner
Frederick T. Goldberg
John E. Williams

**Assistant to the Commissioner
(Equal Opportunity)**
Hardi L. Jones

**Assistant to the Commissioner
(Legislative Liaison)**
Charles W. Wheeler (Acting)

Division Director:
Legislative Analysis
Damon O. Holmes (Acting)

**Assistant to the Commissioner
(Public Affairs)**
Thym S. Smith

Taxpayer Ombudsman
Harold M. Browning

Assistant to the Deputy Commissioner
John E. Burke

Inspection

Assistant Commissioner
Robert L. Rebein

Deputy Assistant Commissioner
E. Derle Rudd

Division Directors:

Internal Audit
Erwin Sorbin (Acting)

Internal Security
William E. Mulroy

Data Processing

Associate Commissioner
(Vacant)

Computer Services

Assistant Commissioner
Joseph E. Bishop

Deputy Assistant Commissioner
Dean E. Morrow

Division Directors:

Hardware
Richard W. Marsh

Management Systems
(Vacant)

Planning and Control Staff
Donald E. Curtis

Software
Daniel N. Capazzoli

Returns and Information Processing

Assistant Commissioner
M. Eddie Heironimus

Deputy Assistant Commissioner
Stanley Goldberg

Division Directors:

National Computer Center,
Martinsburg, W.Va.
William E. Palmer

Program Planning and Review Staff
Suellen P. Hamby

Returns Processing and Accounting
Frederic F. Perdue

Statistics of Income
Frederick J. Schueren

Taxpayer Service
Walter M. Alt

Operations

Associate Commissioner
Donald E. Bergherm

Collection

Assistant Commissioner
Larry G. Westfall

Deputy Assistant Commissioner
William M. Wauben

Criminal Investigation

Assistant Commissioner
Richard C. Wassenaar

Deputy Assistant Commissioner
John M. Rankin, Jr.

Examination

Assistant Commissioner
Percy P. Woodard

Deputy Assistant Commissioner
Frederic P. Williams

Employee Plans and Exempt Organizations

Assistant Commissioner
S. Allen Winborne

Deputy Assistant Commissioner
Raymond A. Spillman

Division Directors:

Actuarial
Ira Cohen

Employee Plans
Billy M. Hargett

Exempt Organizations
Joseph A. Tedesco

Policy and Management

Associate Commissioner
Charles H. Brennan (Acting)

Human Resources

Assistant Commissioner
Dominick J. Lantonio

Deputy Assistant Commissioner
Orion L. Birdsall, Jr.

Division Directors:

Director of Practice
Leslie S. Shapiro

Management Information Systems Staff
David Boose

Payroll/Personnel System
Jerry Rabe (Acting)

Personnel
Ralph C. Reeder

Tax Administration Advisory Services
Douglas S. Ormerod

Training and Development
Stephen J. Meltzer (Acting)

Planning, Finance and Research

Assistant Commissioner
John L. Wedick, Jr.

Deputy Assistant Commissioner
Walter E. Bergman

Division Directors:

Fiscal Management
Joseph F. Kump

Planning and Analysis
John T. Blank

Research
Frank M. Malanga

Support and Services

Assistant Commissioner
Kenneth G. Rivett

Deputy Assistant Commissioner
Alan A. Beck

Division Directors:

Data Center,
Detroit, Mich.
James E. Daly, Jr.

Centralized Services
David V. Swann

Disclosure and Security
Raymond L. Rizzo

Facilities Management
Richard E. Simko

National Office Resources Management
Herbert J. Huff

Tax Forms and Publications
Robert I. Brauer

**Regional
and District
Officers**

Central Region

Regional Commissioner
Philip E. Coates

Assistant Regional Commissioners:

Collection
Charles F. Jones

Criminal Investigation
Larry R. Hyatt

Examination
Donald L. Stewart

Resources Management
Billy J. Brown

Taxpayer Service and Returns Processing
Patrick J. Ruttle

District Directors:

Cincinnati, Ohio
James J. Ryan

Cleveland, Ohio
Everett Loury

Detroit, Mich.
Charles A. Parks

Indianapolis, Ind.
Paul D. Williams

Louisville, Ky.
John J. Jennings

Parkersburg, W. Va.
Richard C. Herman

Director, Cincinnati Service Center
John O. Hummel

Regional Inspector
John E. McManus

Mid-Atlantic Region

Regional Commissioner
William D. Waters

Assistant Regional Commissioners:

Collection
Leroy C. Gay

Criminal Investigation
Willard M. Cummings

Examination
Regina M. Deanehan

Resources Management
Philip G. Brand

Taxpayer Service and Returns Processing
Fred R. Endrikat

District Directors:

Baltimore, Md.
Teddy R. Kern

Foreign Operations
Thomas J. Clancy

Newark, N.J.
Gary Matthews (Acting)

Philadelphia, Pa.
James T. Rideoutte

Pittsburgh, Pa.
Thomas L. Davis

Richmond, Va.
Charles E. Roddy

Wilmington, Del.
F. Clare Shy

Director, Philadelphia Service Center
Norman E. Morrill

Regional Inspector
Benjamin J. Redmond

Midwest Region

Regional Commissioner
Roger L. Plate

Assistant Regional Commissioners:

Collection
Allen G. Woodhouse

Criminal Investigation
Robert Wilson (Acting)

Examination
David G. Blattner

Resources Management
Jack E. Shank

Taxpayer Service and Returns Processing
John T. Ader

District Directors:

Aberdeen, S.D.
Thomas J. Yates

Chicago, Ill.
J. Robert Starkey

Des Moines, Iowa
John Edwards

Fargo, N.D.
Gary O. Booth

Milwaukee, Wis.
Lawrence M. Phillips

Omaha, Neb.
Mitchell E. Premis

Springfield, Ill.
Ira S. Loeb

St. Louis, Mo.
Robert A. LeBaube

St. Paul, Minn.
C. Dudley Switzer

Director, Kansas City Service Center
Roy D. Clark

Regional Inspector
(Vacant)

North-Atlantic Region

Regional Commissioner
Cornelius J. Coleman (Acting)

Assistant Regional Commissioners:

Collection
Brian P. McMahan

Criminal Investigation
Raymond C. Turner

Examination
Robert Mirshberger

Resources Management
William H. Ethe

Taxpayer Service and Returns Processing
Raymond P. Keenan

District Directors:

Albany, N.Y.
John B. Langer

Augusta, Maine
William E. Dosedio

Boston, Mass.
Herbert B. Moshier

Brooklyn, N.Y.
Thomas P. Coleman

Buffalo, N.Y.
Marshall P. Cappelli

Burlington, Vt.
George Delegianis

Hartford, Conn.
James E. Quinn

Manhattan, N.Y.
Pete J. Medina

Portsmouth, N.H.
Francis S. Miceli

Providence, R.I.
Malcolm A. Liebermann

Director, Andover Service Center
Joseph H. Cloonan

Director, Brookhaven Service Center
Thomas J. Laycock

Regional Inspector
Daniel F. Schiller

Southeast Region

Regional Commissioner
Harold A. McGuffin

Assistant Regional Commissioners:

Collection
Conrad L. Clapper

Criminal Investigation
Joseph P. Pagani

Examination
Ronald W. Kirby

Resources Management
Herma J. Hightower

Taxpayer Service and Returns Processing
Henry E. Leech, Jr.

District Directors:

Atlanta, Ga.
Michael J. Murphy

Birmingham, Ala.
Philip J. Sullivan

Columbia, S.C.
Donald L. Breihan

Greensboro, N.C.
Frederick C. Nielsen

Jackson, Miss.
Charles O. Guy (Acting)

Jacksonville, Fla.
Merlin W. Heye

Nashville, Tenn.
Alvin H. Kolak

Director, Atlanta Service Center
William B. Hartlage

Director, Memphis Service Center
James D. Hallman

Regional Inspector
Dale W. Gardner

Southwest Region

Regional Commissioner
Richard C. Voskuil

Assistant Regional Commissioners:

Collection
Mervel E. Coil (Acting)

Criminal Investigation
Frederick L. Sleet

Examination
Robert E. Dais

Resources Management
James A. Lindsey (Acting)

Taxpayer Service and Returns Processing
Bobby G. Hughes

District Directors:

Albuquerque, N.M.
Francis L. Browitt

Austin, Texas
Robert M. McKeever

Cheyenne, Wyo.
Michael J. Kelly

Dallas, Texas
Glenn Cagle

Denver, Colo.
Gerald L. Mihilbachler

Houston, Texas
Arturo A. Jacobs

Little Rock, Ariz.
William F. Barlow

New Orleans, La.
Jack P. Chivatero

Oklahoma City, Okla.
Howard C. Longley

Wichita, Kan.
Clarence M. King, Jr.

Director, Austin Service Center
Carolyn K. Leonard

Regional Inspector
Paul F. Kearns

Western Region

Regional Commissioner
Thomas A. Cardoza

Assistant Regional Commissioners:

Collection
Paul R. Dickey

Criminal Investigation
Peter J. Rumore

Examination
Elmer W. Kletke

Resources Management
Michael P. Dolan

Taxpayer Service and Returns Processing
G. William Grabo

District Directors:

Anchorage, Alaska
John L. Carlson

Boise, Idaho
William M. Jacobs

Helena, Mont.
Richard S. Wintrode

Honolulu, Hawaii
John D. Johnson

Los Angeles, Calif.
William H. Connett

Phoenix, Ariz.
Prescott A. Berry

Portland, Ore.
T. Blair Evans

Reno, Nev.
Gerald F. Swanson

Salt Lake City, Utah
Carol M. Fay

San Francisco, Calif.
Michael D. Sassi

Seattle, Wash.
Michael J. Quinn

Director, Fresno Service Center
Theron C. Polivka

Director, Ogden Service Center
Dominic E. Pecorella

Regional Inspector
(Vacant)

Walter H. Smith/1866
 William McMichael/1871
 Charles Chesley/1871
 Thomas J. Smith/1888
 Alphonso Hart/1890
 Robert T. Hough/1893
 George M. Thomas/1897
 Albert W. Wishard/1901
 A. B. Hayes/1903
 Fletcher Maddox/1908
 Ellis C. Johnson/1913
 A. A. Ballantine/1918
 D. M. Kelleher/1919
 Robert N. Miller/1919
 Wayne Johnson/1920
 Carl A. Mapes/1920
 Nelson T. Hartson/1923
 Alexander W. Gregg/1925
 Clarence M. Charest/1927
 E. Barrett Prettyman/1933
 Robert H. Jackson/1934
 Morrison Shafroth/1936
 John P. Wenchel/1937
 Charles Oliphant/1947
 Charles W. Davis/1952
 Daniel A. Taylor/1953
 John Potts Barnes/1955
 Nelson P. Rose/1957
 Arch M. Cantrall/1958
 Hart H. Spiegel/1959
 Crane C. Hauser/1961
 Sheldon S. Cohen/1964
 Mitchell Rogovin/1965
 Lester R. Uretz/1966
 K. Martin Worthy/1969
 Lee H. Henkel, Jr./1972
 Meade Whitaker/1973
 Stuart F. Selgel/1977
 N. Jerold Cohen/1979
 Kenneth W. Gideon/1981

The following were Acting Chief Counsel during periods when there was no Chief Counsel holding the office:

John W. Burrus
 from March 2, 1936, to Nov. 30, 1936

Mason B. Leming
 from Dec. 6, 1951, to May 15, 1952

Kenneth W. Gemmill
 from June 11, 1953, to Nov. 8, 1953

Rudy P. Hertzog
 from Dec. 1, 1954, to May 8, 1955, from Jan. 20, 1961, to Aug. 16, 1961, and from Sept. 1, 1963, to Jan. 5, 1964

Herman T. Reiling
 from Jan. 19, 1957, to March 13, 1957, and from Aug. 31, 1959, to Sept. 20, 1959

Lester R. Uretz
 from April 1, 1966, to April 11, 1966

Richard M. Hahn
 from Jan. 20, 1969, to June 25, 1969

Lee H. Henkel, Jr.
 from Jan. 16, 1972, to June 11, 1972

Lawrence B. Gibbs
 from April 17, 1973, to Oct. 19, 1973

Charles L. Saunders, Jr.
 from Jan. 20, 1977, to April 15, 1977

Leon G. Wigrizer
 from April 16, 1977, to June 23, 1977

Lester Stein
 from June 1, 1979, to Nov. 16, 1979

Jerome D. Sebastian
 from Jan. 21, 1981, to Feb. 2, 1981, and from March 30, 1981, to Aug. 14, 1981

Emory L. Langdon
 from February 3, 1981, to March 29, 1981

Note: From 1866 to 1926, the chief legal officer for the Internal Revenue Service was known as the Solicitor. For the next eight years, 1926 to 1934, he had the title of General Counsel for the Bureau of Internal Revenue. Since 1934, he has operated under the title of Chief Counsel.

National Office

Chief Counsel
 Kenneth W. Gideon

Special Assistant to the Chief Counsel
 B. John Williams, Jr.

Staff Assistant to the Chief Counsel
 Claudine Ausness

Deputy Chief Counsel
 Joel Gerber

Assistant to the Deputy Chief Counsel
 Steven J. Mopsick

Division Directors:

Appeals
 Howard T. Martin

Operations
 Joseph H. Hairston

Litigation

Associate Chief Counsel
 James J. Keightley

Deputy Associate Chief Counsel
 Robert P. Ruwe

Special Litigation Counsel
 Stephen M. Miller

Special Appellate Counsel
 Daniel F. Folzenlogen

Division Directors:

Criminal Tax
 William A. Goss

Disclosure Litigation
 Peter V. Filpi

General Legal Services
 Thuirmond E. Shaw

General Litigation
 Benjamin C. Sanchez

Tax Litigation
 John H. Menzel

Technical

Associate Chief Counsel
 Gerald G. Portney

Deputy Associate Chief Counsel
 Jerome D. Sebastian

Principal Technical Advisor
 James S. Halpern

Senior Technical Advisor
 Peter K. Scott

Division Directors:

Corporation Tax
 John W. Holt

Employee Plans and Exempt Organizations
 James F. Malloy

Individual Tax
 Mario E. Lombardo

Interpretative
 George H. Jelly

Legislation and Regulations
 David E. Dickinson

**Regional
and District
Officers**

Central Region

Regional Counsel
Vernon Jean Owens

Deputy Regional Counsel (Criminal Tax)
Gerald W. Fuller

Deputy Regional Counsel (General Litigation)
Charles M. Layton

Deputy Regional Counsel (Tax Litigation)
Robert A. Roberts

Assistant Regional Counsel (General Legal Services)
George T. Bell

Regional Director of Appeals
Claude C. Rogers, Jr.

District Counsel:

Cincinnati, Ohio
Clarence E. Barnes, Jr.

Cleveland, Ohio
Buckley D. Sowards

Detroit, Mich.
Charles S. Strood

Indianapolis, Ind.
Ross E. Springer

Louisville, Ky.
Ferdinand J. Lotz, III

Mid-Atlantic Region

Regional Counsel
David E. Gaston

Deputy Regional Counsel (Criminal Tax)
Richard A. Francis, Jr.

Deputy Regional Counsel (General Litigation)
John G. Kissane

Deputy Regional Counsel (Tax Litigation)
Christopher J. Ray

Assistant Regional Counsel (General Legal Services)
David J. Markman

Regional Director of Appeals
James J. Casimir

District Counsel:

Baltimore, Md.
Herbert A. Seidman

Foreign Operations
Marlene Gross

Newark, N.J.
Edward H. Hance

Philadelphia, Pa.
Charles F. T. Carroll

Pittsburgh, Pa.
Donald W. Howser

Richmond, Va.
Marion B. Morton

Washington, D.C.
Thomas C. Morrison

Midwest Region

Regional Counsel
Dennis J. Fox

Deputy Regional Counsel (Criminal Tax)
Harold L. Cook

Deputy Regional Counsel (General Litigation)
James H. Martin

Deputy Regional Counsel (Tax Litigation)
Charles B. Wolfe, Jr.

**Staff Assistant to the Regional Counsel (General
Legal Services)**
James M. Gecker

Regional Director of Appeals
Donato Cantalupo

District Counsel:

Chicago, Ill.
Denis J. Conlon

Des Moines, Iowa
Steedly Young

Kansas City, Mo.
James T. Finlen, Jr.

Milwaukee, Wis.
Nelson E. Shafer

Omaha, Neb.
Ronald M. Frykberg

Springfield, Ill.
Jeff P. Ehrlich

St. Louis, Mo.
William J. McNamara

St. Paul, Minn.
Robert F. Cunningham

North-Atlantic Region

Regional Counsel
Agatha L. Vorsanger

Deputy Regional Counsel (Criminal Tax)
Robert Kraft

Deputy Regional Counsel (General Litigation)
Myron Levine

Deputy Regional Counsel (Tax Litigation)
Jay S. Hamelburg

Assistant Regional Counsel (General Legal Services)
Robert F. Hermann

Regional Director of Appeals
Gerard R. Esposito

District Counsel:

Albany, N.Y.
H. Stephen Kesselman

Boston, Mass.
Robert B. Dugan

Brooklyn, N.Y.
Sumner L. Lipsky

Buffalo, N.Y.
John E. White

Hartford, Conn.
Powell W. Holly, Jr.

Manhattan, N.Y.
Gerald Backer

Southeast Region

Regional Counsel
Jack D. Yarbrough

Deputy Regional Counsel (Criminal Tax)
Jack Morton

Deputy Regional Counsel (General Litigation)
Dean R. Morley, III

Deputy Regional Counsel (Tax Litigation)
Vacant

Assistant Regional Counsel (General Legal Services)
Harry G. Mason

Regional Director of Appeals
Robert B. Douthitt

District Counsel:

Atlanta, Ga.
W. Preston White, Jr.

Birmingham, Ala.
John B. Harper

Greensboro, N.C.
Alan I. Weinberg

Jacksonville, Fla.
Roy S. Fischbeck

Miami, Fla.
Glen W. Gilson, II

Nashville, Tenn.
Richard J. Neubauer

Southwest Region

Regional Counsel
William B. Riley

Deputy Regional Counsel (Criminal Tax)
Michael W. Bentley

Deputy Regional Counsel (General Litigation)
Charles L. McReynolds, Jr.

Deputy Regional Counsel (Tax Litigation)
David L. Jordan

Assistant Regional Counsel (General Legal Services)
Gary A. Anderson

Regional Director of Appeals
Ralph F. Shilling

District Counsel:

Dallas, Texas
Kenneth A. Little

Denver, Colo.
George G. Young

Houston, Texas
Harold Friedman

New Orleans, La.
George H. Becker

Oklahoma City, Okla.
Walter O. Johnson

Western Region

Regional Counsel
Emory L. Langdon

Deputy Regional Counsel (Criminal Tax)
J. Richard Murphy, Jr.

Deputy Regional Counsel (General Litigation)
Fayette G. Taylor

Deputy Regional Counsel (Tax Litigation)
Thomas F. Kelly

Assistant Regional Counsel (General Legal Services)
Robert J. Wilson

Regional Director of Appeals
Ralph F. Albrecht

District Counsel:

Los Angeles, Calif.
Joseph O. Greaves

Phoenix, Ariz.
Roger Rhodes

Portland, Ore.
Henry R. Snyder

Reno, Nev.
S. Clay Freed

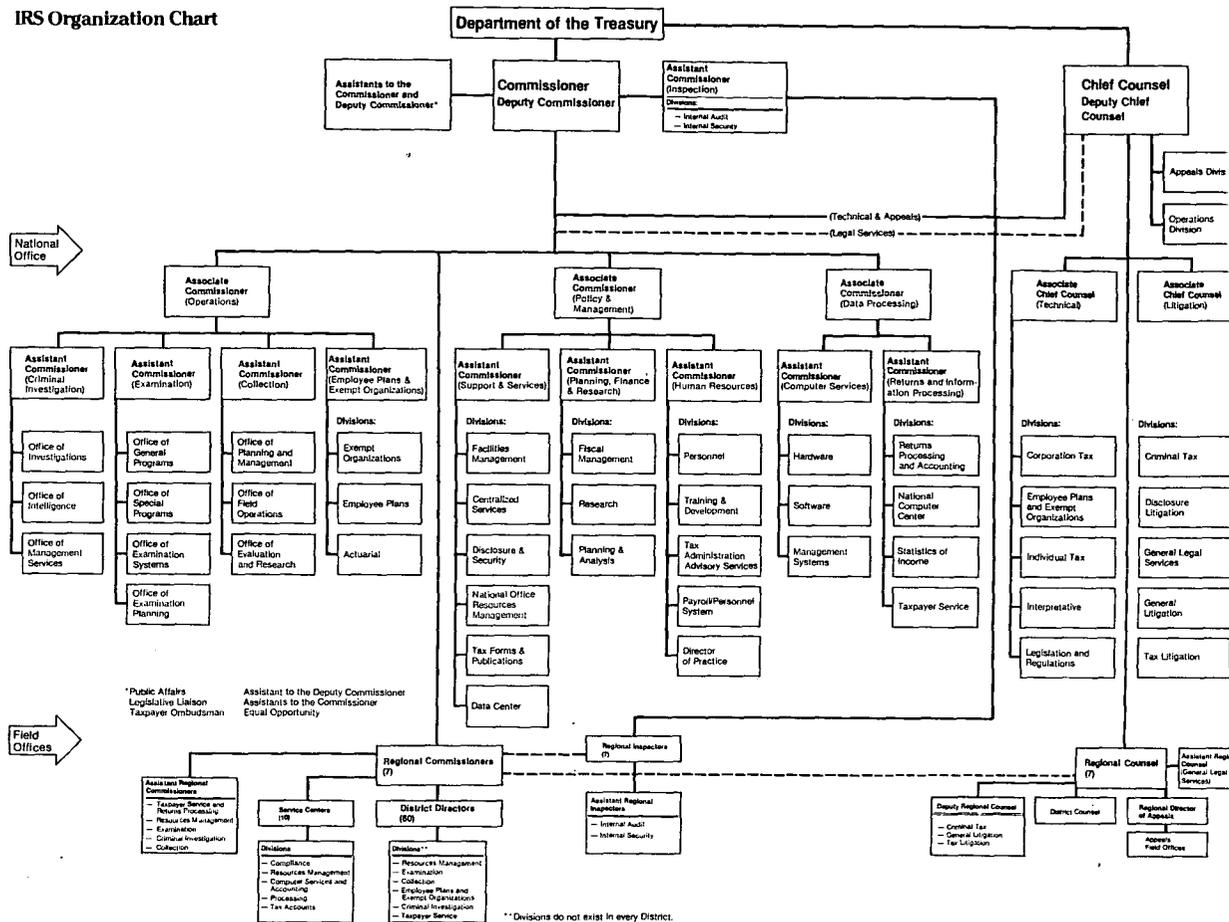
Salt Lake City, Utah
Richard A. Jones

San Diego, Calif.
Donald W. Wolf

San Francisco, Calif.
James Booher

Seattle, Wash.
Richard J. Shipley

Honolulu Area Office, Attorney-in-Charge
John T. Lyons



Internal Revenue Service Regions, Districts and Service Centers; Chief Counsel Regional and District Offices

